



Daily Report

Latin America

FBIS-LAT-91-010
Tuesday
15 January 1991

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NOTICE TO READERS: As of 2 January 1991, television sourcelines in the DAILY REPORT will reflect how a station identifies itself. In most cases, this change eliminates the "Television Service" designation in favor of the station identification as broadcast. The presence of a new television sourceline reflects this change in policy, rather than the establishment of a new station or network.

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

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Spanish Envoy Comments on Jesuit Murder Case

PA1201155691 Mexico City NOTIMEX in Spanish
0008 GMT 11 Jan 91

[Text] Tuxtla Gutierrez, Mexico, 10 Jan (NOTIMEX)—Luis Yanes, who is in charge of Ibero-American affairs in the Spanish Foreign Ministry, has stated that in Spain's opinion, the efforts undertaken in El Salvador to resolve the assassination case of six Jesuit priests have been insufficient.

In statements for NOTIMEX, the Spanish representative to the Mexican and Central American presidents's summit, which is taking place 10-11 January, confirmed that Prime Minister Felipe Gonzalez days ago met with the Salvadoran ministers of defense and justice.

Although he provided no details on the content of the meeting between Gonzalez and General Rene Emilio Ponce and Oscar Santamaria, Yanes said that the assassination of the Spanish Jesuits, which was carried out by Salvadoran soldiers in November 1989, "is a very sensitive issue for us."

"In the case of the Jesuit priests, the Spanish Government does not believe that it has been sufficiently clarified, nor that there has been sufficient punishment, nor that an action of this nature can go unpunished," Yanes said.

The investigations into the crime against the clergymen were concluded early this year and the involvement of nine soldiers, who will be tried in the upcoming months, was announced. According to the Society of Jesus, the investigations must continue until the real masterminds of this multiple assassination are found.

Yanes stated that Spain is willing to support the Central American country's economic projects, but pointed out that in the case of El Salvador "we will keep our cooperation frozen until the assassinations are resolved." He added that during the Tuxtla Gutierrez summit he will convey his government's position on the Jesuit case to Salvadoran President Alfredo Cristiani.

The official offered the good offices of his country, which is a member of the "Friends of Javier Perez de Cuellar"

group that is trying to advance the peace-seeking process taking place in El Salvador under the auspices of the United Nations.

As for the fate of the peace talks, Yanes voiced his optimism and said that both the government and the guerrillas "are keenly aware of the need to reach an agreement" to end a war that has lasted 10 years and has claimed about 75,000 lives.

OAS Willing To Cooperate in Trade Agreement

PA1301223091 Mexico City NOTIMEX in Spanish
1325 GMT 11 Jan 91

[Text] Tuxtla Gutierrez, Mexico, 11 Jan (NOTIMEX)—OAS Secretary General Joao Clemente Baena Soares has told NOTIMEX that the free trade agreement between Mexico and Central America is the most important of its kind to date for the continuous development of the region.

He said: "In accordance with the wishes of the presidents and the governments, the OAS is ready to offer its full cooperation for the smooth progress of the projects initiated today." He referred to the Central American and Mexican presidential summit, which ends today in this city, as "a historic step toward the integration of Latin America."

The secretary general said that the OAS is already cooperating with several governments on the development of some of the nations on the isthmus, but he stressed that the agreement presently being negotiated in Tuxtla Gutierrez, is the most important agreement for Central America to date.

He affirmed that the agreements between Central America and Mexico and what is being done in the Southern Cone "are steps toward the integration of Latin America."

Baena Soares pointed out that the OAS charter contains articles that direct the organization "to work for the integration of the developing countries of the hemisphere," and therefore, "it should be considered an organization of integration."

Cuba

Health Minister on Effects of U.S. Blockade

PA1401204791 Havana International Service
in Spanish 0000 GMT 11 Jan 91

["Excerpts" of interview with Public Health Minister Julio Teja by Susana del Calvo in Havana; date not given—recorded]

[Text] [Del Calvo] There is much talk about the blockade against our country. We would like you to tell us, however, what this blockade means, especially regarding public health, which should not be interfered with.

[Teja] The blockade that all our people are aware of has repercussions, and in my line of work it is highly condemnable, as it affects people. In other words, this blockade is affecting a field such as ours, which is sensitive and humane. It does not only implicitly affect other economic activities of our country. It affects sensitive aspects such as access to various medicines that we would like to have, including modern medicines that are only produced by certain highly developed capitalist countries such as the United States. At times it is very difficult for us to buy them.

One of the greatest difficulties we have faced was being forced to find markets in far-away countries outside our natural market—that is, we are forced to buy medicines in distant markets because of the ban on the sale of medicine and medical equipment imposed by the U.S. State Department on companies trading with our country.

Many companies observe this ban, and this forces us to look for these products in far-away markets. As a result, our orders take longer to arrive and we must spend extra money in transportation costs. This significantly complicates our efforts to secure these products and maintain stocks of them, forcing the revolution to further develop—which to a certain extent is a positive development—our production of medicines, our pharmaceutical industry, and our medical equipment in order to overcome this blockade that deprives us of open access to them.

The blockade on our country has also been felt in the scientific-technical information area. There have been all kinds of attempts aimed at preventing us from receiving the latest research information. In most developed countries this research is in the hands of multinationals, which have enough resources to implement their research. It is at times very difficult for us to establish ties with these research centers because they are financed by these multinationals. This complicates our search for these products.

In contrast, our country has at all times maintained a very open policy. We have never maintained a sectarian policy in our research. We have consistently tried to maintain contacts with any country, research center, or

work group involved in advanced or important scientific research in their countries. We have been willing to send doctors, workers, scientists, and others on exchanges, inviting their counterparts to visit our country.

This very open policy has allowed us to overcome this blockade and attain the level of development we have, despite all the bans we have faced. They have, however, really made our work more difficult and complicated. Perhaps this has to a certain extent helped us achieve the successes that we have.

[Del Calvo] Are these products not a lot more expensive than they should really be?

[Teja] Yes, of course. One thing we cannot prevent is higher prices for everything. In other words, medicines, which would cost less if brought from much closer markets—such as our natural markets—are actually more expensive, because we are forced to bring them from far away. Our health expenditures are higher. Our country's leadership has never placed restrictions on what we could spend, but we have been forced to spend more than other countries spend in this area to implement their health programs.

People's Tribunal President on Anti-Crime Actions

FL1501032291 Havana Tele Rebelde and Cuba Vision
Networks in Spanish 0100 GMT 15 Jan 91

[Text] Referring to the criminal cases resulting from Operation Hammer [Operacion Maceta], Dr. Jose Raul Amaro Salup, president of the Supreme People's Tribunal, noted that they are not exceptional but the beginning of different types of actions in the fight against crime. He said dealing with crime is a permanent activity not only of the tribunals, prosecutors, and police but of all the people who everyday express their opposition and repudiation against those who live at the margin of the law.

In an interview granted to Cuban television, Amaro Salup stated that a greater judicial severity will be applied on a case-by-case basis. He added that penal procedures will be sped up within the limits the law guarantees.

The ability to serve justice has been increased with the creation of smaller tribunals composed of a professional judge and two lay judges for the cases considered with sanctions up to eight years in accordance with Law 70 approved by the National Assembly in July 1990.

The president of the Supreme People's Tribunal asserted that the tribunals' sanctions will also consider all types of confiscation and seizure of goods in response to penal acts. He stressed the need to close ranks against crime and corruption and to prevent these anti-social behaviors. Finally, he said the penitentiary system will be in line with the new severity applied in penal processes in the entire country.

1 Prison Escapee Killed; Another Seriously Wounded

*FL1501025491 Havana Radio Rebelde Network
in Spanish 0000 GMT 15 Jan 91*

[Text] Interior Ministry forces have captured two escaped prisoners near the Orlando Gonzalez sugar mill. The prisoners attempted to break the agents' cordon by shooting at the combatants and attempted to run them over with a tractor that they had stolen earlier.

The law-enforcement agents responded and shot and killed convict Hector Lafita Libransa. Juan Rafael Perez Perez was shot and seriously wounded. Lafita was serving a six-month sentence for not complying with the misdemeanor commission's orders and Perez Perez had been sentenced to 16 months in prison for breaking and entering.

The cooperation of the residents of the affected rural area was decisive during the operation. Despite the dangerousness of the two escapees and the repeated death threats made against any person who reported them, the escapees received no help.

Inter-Caribbean Affairs

Slump in Tourism Blamed on War Threat, Recession

*FL1401164591 Bridgetown CANA in English
2158 GMT 13 Jan 91*

[By Mark Lee]

[Text] Hamilton, Bermuda, Jan 13, CANA—Even before a shot is fired in the Persian Gulf conflict, Caribbean tourism is feeling the crunch, industry leaders gathered on this picturesque British west Atlantic territory are saying. From the Bahamas in the north, through Jamaica, Antigua in the east, and Barbados in the south, some hoteliers are reporting record low occupancy rates for the peak winter tourism season.

Fear of a possible conflagration and a stretch of economic recession in the prime North American and British markets have been proffered as the reasons for the downturn. Industry analysts have predicted a bout of rough competition among Caribbean destinations that some say might have already started.

"Some properties are down to 60 per cent, as much as 20 points below normal occupancy," said a Jamaican hotelier who asked not to be named. In fact, a leading resort in the north coast Jamaican town of Ocho Rios is down to 38 per cent.

"We've had some serious cancellations," said one Antiguan hotelier.

"Cancellations have never been higher," said a Bahamian.

The hoteliers are miffed that government spokesmen in the respective territories continue to make statements that things are fine in the sector. A leading Barbadian

hotelier said he is keeping his mouth shut for fear of being accused of trying to influence the outcome of a general election due there January 22.

"But I certainly won't remain silent if I hear the truth being distorted," he told CANA.

Jamaica's tourism director of less than a year, Robert Stephens, a usually upbeat player, only this last week cautioned his countrymen that a full-blown war could dig about U.S. 140 million dollars out of a projected 1,100 million dollars in receipts this year.

The impact of a gulf-associated fuel crisis is not lost on the industry. There is fear of the catalytic effect on electricity and virtually all other inputs to not just tourism but the entire economy.

The corridor talk at this annual Caribbean Hotel Association's [CHA] marketplace, pitching holiday buyers and sellers together, is the intense competition between countries for the tourism dollar. There is talk of the Bahamas spending a million U.S. dollars in advertising to woo Californians to the islands in a direct challenge to the Jamaicans, who have carved out a niche which numbered 40,000 visitors from the west coast state last year.

The Bahamaians, who added four million dollars to their 1991 tourism budget, are pumping all of it into advertising, said one insider. The Bahamas 1991 campaign is to be launched January 21 but it is the Jamaican "Come Back to Jamaica, and Feel Allright" spot on U.S. television that is creating the "oohs and aahs" among delegates here. The advertisement is based on the Bob Marley and The Wailers "One Love" reggae tune, and juxtaposed with CNN's newscast on the Gulf Crisis, it sends a powerful message.

The big spending is making some smaller and less affluent countries cringe, since it seems ever unlikely that their share of the nearly U.S. 11 billion dollar tourism pie which the region was inching towards this year will increase.

The importance of the industry to the region is seen in the fact that the annual earnings are almost equal to the total regional foreign debt of the 13 Caribbean Community (Caricom) countries and their annual food import bill. But it is not with hopelessness that the more than 900 delegates from the Caribbean, North America, and Europe are gathered here.

"This meeting is important because it's a time of crisis," said Robert Sands who runs the Carnival Crystal Palace Resort and Casino in Nassau. "What we need to do is to turn things around and start sending a positive statement."

Sands, who is on the CHA board, knows only too well the importance of the industry, having worked in Guyana and Jamaica, and now being responsible for more than 300 staffers at the property on Cable Beach.

"We have to come out of the gloom and doom and get buyers and sellers to work together in pushing a positive image," he told CANA.

Caribbean Tourism Organisation (CTO) secretary-general Jean Holder was Sunday hopeful that war could be averted, with a euphoric backlash sending holiday makers to the region.

"There could very well be an outpouring of relief (if there is no war)," said Holder, whose organisation groups 28 countries from all the language groups in the region.

In the meantime, some delegates are pondering whether Mexico, which has scored big gains in its Cancun destination, might not come out winner in all of this. The country's tourism is growing, has the advantage of proximity, with the accompanying perception of safety for American travellers, and its oil industry stands to gain significantly if war breaks.

Barbados

BLP Emphasizes Economy in Election Manifesto

FL1401150091 Bridgetown CANA in English
1706 GMT 13 Jan 91

[By Reudon Eversley]

[Text] Bridgetown, Barbados, Jan 13, CANA—The Barbados Labour Party (BLP), aiming to recapture the government after five years in opposition, said boosting exports and reducing taxes formed the basis of its strategy for turning around the ailing economy.

Finance spokesman Owen Arthur, addressing a public meeting Saturday [12 January] night at which the BLP's candidates for the January 22 general election were presented, said high taxation was currently stifling business. A BLP administration would give priority to creating conditions conducive to expanding economic activity, he said.

The BLP's manifesto, released at the meeting in a Bridgetown car park, said the government was currently taking 35 cents out of every dollar in tax, compared with 27 cents in 1986 when the BLP left office. Arthur, already named as finance minister should the BLP win the forthcoming election, said the BLP had established a link between tax reform and boosting exports so as not to jeopardise the balance of payments.

He linked a weakening of the balance of payments since 1986 to what he suggested was the failure of the ruling Democratic Labour Party (DLP) to introduce measures to boost exports at the same time it gave significant tax breaks after the 1986 election. According to the central bank, Barbados exports declined by 57 percent between 1984 and 1989.

Arthur, challenging Prime Minister Erskine Sandiford to release last year's economic figures, said the productive

sectors were in crisis. Sandiford has been using 1989 figures during the campaign, saying it was the last year for which there were final figures. Provisional 1990 figures, however, showed the economy had entered decline after five years of growth.

"I truly believe that we can turn around Barbados because despite the muddle Sandiford has created, Barbados has important assets on which it can build and important opportunities of which it can take advantage," Arthur said.

In tourism, for instance, Arthur said there were opportunities for increasing business out of the United States under a bilateral tax treaty, allowing Americans holding conventions here to write off the expenses against their taxes. "This is a missed opportunity by the Sandiford administration we will not ignore," he said.

Arthur said other opportunities for expanding economic activity existed in agriculture. Noting Barbados' food import bill currently stood at around Bds 200 million dollars annually, he said a BLP government would seek to boost food production, using the "idle lands" and "idle hands" in the country for economic gain.

Arthur said establishment of an export development fund would be central to a BLP government's effort to boost exports. The fund, among other things, will enable manufacturers to retool their plants and increase capacity. In order to raise the competitiveness of Barbadian exports, a BLP government would also reduce, "as resources allow," taxes on raw materials and packaging materials imported by manufacturers, Arthur said.

The glossy 52-page manifesto promised the establishment of a Ministry of Business Development as the centrepiece of the BLP's effort to improve conditions for business.

"This ministry will become the investors' 'one stop shop' for information on relevant legislation and regulations affecting business activity, and will facilitate new investment by handling all investment matters by liaising directly with the appropriate ministries, the central bank, and the registrar of companies to facilitate the rapid establishment of new business ventures," the document said.

The manifesto said emphasis would be placed on foreign exchange earning enterprises. Other measures to encourage business and boost exports include tax rates as low as 2 1/2 percent for export companies, tax concessions for the development of new products, a monetary policy emphasizing the lowest possible interest rates on loans to the productive sectors, and creation of a research and development fund. The BLP promised no devaluation of the Barbados dollar.

Arthur said privatization of commercial state enterprises would be pursued, suggesting the Caribbean Broadcasting Corporation (CBC) would be among the first to go. CBC operates the island's lone television service

and two radio stations. Arthur said loss-making state enterprises were currently using up about Bds 150 million dollars a year of taxpayers' money. He said this money could be used instead to expand economic activity. Arthur said state enterprises providing "a socially necessary function" like public transport, would not be divested.

The manifesto said workers and credit unions would get first choice to purchase shares in state companies being sold off. This policy is central to what the BLP said was its quest for "economic enfranchisement"—expanding ownership in the economy.

The manifesto said a BLP government would put Barbados on a path of sustainable development where environmental considerations are given priority in economic planning. Re-establishment of a Ministry of the Environment is central to the policy.

The BLP also promised a new approach to fighting crime, which has been on the increase in recent months.

British High Commissioner Takes Up Post

*FL1501004091 Bridgetown CANA in English
2142 GMT 14 Jan 91*

[Text] Bridgetown, Barbados, Jan. 14, CANA—New British high commissioner to Barbados and the Eastern Caribbean, Emrys Thomas Davies, arrived here on Sunday to take up his post. Davies, 56, succeeds Kevin Burns who retired from the British Diplomatic Service at the end of 1990.

A British High Commission statement said one of the first official engagements for Davies will be to present his letter of introduction to Barbados Prime Minister Erskine Sandiford on Tuesday. Soon after, he hopes to present his letters to the prime ministers of St. Lucia, Grenada, Antigua and Barbuda, St. Kitts-Nevis, and St. Vincent, as well as his credentials to the president of Dominica.

Davies' most recent post was as British ambassador to Vietnam.

Haiti

Father Aristide Calls For Arrest of Macoutes

*FL1401205091 Port-au-Prince Radio Metropole
in French 2100 GMT 11 Jan 91*

[Text] President-elect Jean-Bertrand Aristide called today for arrest of the ruthless Macoutes who are terrorizing the country, and urgent action by the Justice Department against Roger Lafontant, who initiated the aborted coup last Monday.

During his first press conference since the attempted coup d'etat, Father Aristide, voicing his opinion to a group of Haitian and foreign journalists, referred to a specific group of armed Macoutes in Delmas 31.

According to Aristide, the unobstructed movements of former Generals Claude Raymond and Williams Regala—both of whom were accused of participation in the 29 November 1987 slaughter which sabotaged the elections at that time, which they consistently deny—pose a danger.

Jean-Bertrand Aristide also confirmed that he would respect the constitutional date of 7 February for his appointment to office. He commented that in facing the fierce and institutionalized violence of the Macoutes, the Haitian people reacted with active nonviolence. For Aristide, the people are foremost in leading the march for democracy in Haiti. It is they who set the tone by exposing themselves, and they who are about to teach humanity how to establish a democracy. These statements were signed by Jean-Bertrand Aristide, president-elect of the Republic of Haiti.

Aristide Defends Relationship With 'The People'

*FL1401214591 Port-au-Prince LE NOUVELLISTE
in French 12-13 Jan 91 No. 33,977 p 1*

[Excerpts] Newly elected President Jean-Bertrand Aristide met with members of the foreign press on 11 January at the former premises of the National Office for Promotion of Investments [ONAPI], the provisional office of the elected president, located in Rue Legitime, Champ-de-Mars, Port-au-Prince, to discuss the coup d'etat perpetrated by Dr. Roger Lafontant and accomplices during the night of 6-7 January. [passage omitted]

Questioned about the compatibility of his roles as priest and as president, Aristide said that he would submit to layman status as outlined by Article 285 of Canon Law if the two prelates, Monseigneur Petion Laroche, the Hinche bishop, and Monseigneur Francois Gaillot, the Cap-Haitien bishop, who had asked him to do so, publicly informed the population about the development.

In response to the U.S. State Department's injunctions [accusing Aristide of inciting violence], the president-elect declared: "Aristide is a free man. He knows when he has to talk to the people, and when he does so, it is in communion with the people."

In conclusion, Father Aristide confirmed that he would respect the constitutional date of 7 February 1991 for his appointment to office.

Nationalist Groups Protest U.S. Behavior

*FL1501001091 Port-au-Prince Radio Soleil Network
in Creole 1200 GMT 14 Jan 91*

[Text] There is protest from three previously unknown organizations, the Movement of Citizens for the Defense of the Constitution [Moucidec], the Human Alliance, and the Realists, who are questioning the behavior of the U.S. Government and newspapers regarding the 16 December elections and the government to be appointed on 7 February.

The groups' statement reads as follows: Together with all the Haitian people who are fighting for real democracy in Haiti, we vow to say no, we will not toe the line according to the dictates of the [U.S.] Department of State, which treats us like children, helpless without their control.

The Department of State asked the president of the 6 million Haitian people to condemn the 7 January acts of violence in words designed to please the U.S. Government, when even the Vatican (the victim) accepts the fact that the democratically elected president recognizes that the acts perpetrated at the Apostolic Nunciature and the Old Cathedral are wretched.

We take this opportunity to comment on an article in THE WASHINGTON POST which accuses the new president of inciting violence. This article clearly indicates that its author understands nothing about Haitian political affairs.

American Vice President Dan Quayle called General Herard Abraham to cancel his attendance at the 7 February appointment ceremony because of the situation in the Gulf, as if the general is the one the people voted for in the 16 December elections.

For all these reasons, we are asking:

- 1) Are these relations to be like those of 1915, when the United States occupation of Haiti began?
- 2) Are these deeds meant to isolate the government that the entire population elected on 16 December?
- 3) Are these acts attempts to divide the Army and the people who are already on a unified path toward democracy?

The Human Alliance and Mousidec are asking the whole nation to guard against anyone who tries to divide them.

Police Search of Delmas 31 Reveals Nothing

FL1501011591 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 14 Jan 91

[Text] In a letter to Port-au-Prince police chief Colonel Jean-Claude Duperval on 12 January the government commissioner [district attorney], Lawyer Bayard Vincent, claimed that partisans of the former Duvalierist official, Roger Lafontant, were gathered and positioned with heavy weapons in Delmas 31, in a house belonging to former General Claude Raymond, a well-known Duvalierist.

According to Lawyer Vincent, these people had allegedly planned to take students hostage within the next few days to force the authorities to release Roger Lafontant and his accomplices so that they could be sent abroad by plane, as was the custom for tyrants and political prisoners in the old days. Lawyer Vincent asked Colonel Jean-Claude Duperval to arrest those in possession of illegal arms and to make routine reports.

Police spokesman Major Saintil announced Saturday night that a search had been carried out last Thursday in that house or a hotel belonging to Claude Raymond, following rumors that heavily armed men were hidden in that house.

The search, however, produced no results. The police saw two cooks and three housekeepers, but found no weapons.

Army Reveals Details of Coup Attempt, Arrests

FL1501022091 Port-au-Prince Radio Nationale in Creole 1400 GMT 14 Jan 91

[Text] Twelve officers, noncommissioned officers, and soldiers who participated in the attempted coup d'etat by Roger Lafontant are no longer in the Army. Five of them were arrested and seven escaped, according to the Army High Command. Retired Colonel Gerard Louis, a warrant officer, two corporals, and a soldier were arrested, while two other officers, discharged Deputy Chief Aurel Frederique and Sub-Lieutenant Luc Francois; a warrant officer; and four soldiers escaped and are wanted by Police.

An investigation commission was formed in order to clarify events and eventually discover other accomplices in the matter. The Army High Command for the first time provided some details on the execution of the coup d'etat, and specified that a warrant officer and two other soldiers using a tank forced Mrs. Ertha Trouillot to the National Palace before picking up the perpetrator of the coup, Roger Lafontant.

When the Army High Command was first apprised of the matter, the Army chief, General Herard Abraham, reacted by taking the necessary steps to attack the National Palace. The headquarter's infantry and an artillery section then arrested Roger Lafontant and his accomplices, according to an Army High Command press release. Those arrested were taken to Army headquarters, where the justice of the peace made a statement. They were later taken to the National Penitentiary of Port-au-Prince, leaving them in the hands of the Justice Department.

The popular uprising throughout the country after the bid for power became known caused the deaths of more than 75 people. The wounded numbered 150, and many of Lafontant's partisans were burned alive. Thousands of dollars in damages were caused. There was plundering and burning everywhere, including the Nuncio's residence, the Old Cathedral, and the Episcopal Conference. The Army, the provisional government, President-elect Jean-Bertrand Aristide, and the employers sector all condemned these excesses.

Lafontant, Accomplice Louis Refuse To Testify

*FL1501024091 Port-au-Prince Radio Haiti-Inter
in Creole 2200 GMT 14 Jan 91*

[Excerpts] Dr. Roger Lafontant and accomplice, retired Lieutenant-Colonel Gerard Louis, appeared before the prosecutor in Port-au-Prince. Beginning at around 1100 GMT, police began prohibiting cars from parking near the courthouse. At approximately 1230 GMT the doctor and his acolyte showed up, bound and heavily escorted by police, who prevented the population from approaching.

Gerard Louis was to be questioned first, but he claimed to be suffering cardiovascular problems, and requested medication. The court, meanwhile, was trying to find lawyers to represent the accused. No lawyers appeared. [passage omitted]

The population waited outside. The government commissioner then called Lafontant to answer questions. Lafontant asserted that he would not answer without his lawyers, as that is the law. When asked who his lawyers were, he named Calixte Delatour and Constantin Mayar. [passage omitted]

The police then escorted the doctor and his accomplice to the National Penitentiary. The population raised their voices and ran, following him to the prison. [passage omitted]

Attempt To Free Lafontant Thwarted

*PA1501143091 Paris AFP in Spanish 0619 GMT
15 Jan 91*

[Text] Port-au-Prince, 14 Jan (AFP)—An attempt to free Roger Lafontant, who led the latest foiled coup d'etat in

Haiti, was thwarted here on the night of 13 January. President-elect Father Jean Bertrand Aristide announced at a news conference on 14 January.

The president-elect said that vehicles with armed men were seen near the National Penitentiary in Port-au-Prince on Sunday night, prompting the police to adopt security measures.

Aristide also said that the neo-Duvalierist "Macoute" is linked to drug trafficking in Haiti and that his government will actively struggle against such activities.

On the morning of 14 January, access to the penitentiary was banned and the street leading to the prison was blocked by barricades of tires and cement blocks. Lafontant, former henchman for Jean-Claude Duvalier and formerly responsible for the "Tontons Macoutes" militia, and 15 of his accomplices have been held in the penitentiary since 7 January.

Jamaica

Rush on Food Items; Manley Appeals for Calm

*FL1401182091 Nassau Domestic Service in English
1800 GMT 14 Jan 91*

[Text] There are reports from Jamaica this afternoon that a rush is on for the basic food items, kerosene, and matches. In some areas, there is a shortage of rice and sugar. The prime minister there, Mr. Michael Manley, is appealing to citizens not to panic as news comes out of the Persian Gulf that war is a strong possibility.

Petroleum Export Ceiling To Remain Constant

PA1401214391 Mexico City NOTIMEX in Spanish
 1926 GMT 14 Jan 91

[Text] Mexico City, 14 Jan (NOTIMEX)—Alberto Escofet Artigas, energy, mines and parastate deputy secretary has said that regardless of war, Mexico's stance is clear: "Not one more barrel of oil will be sold in addition to the export ceiling established by the federal government for this year." Mexico lacks the capacity to increase its production and oil exports since it reached its peak level.

However, the official said that the fuel supply to its foreign clients is assured. Should war break out in the Persian Gulf, Mexico will continue supplying oil to the clients it has commitments within the fashion and time agreed on, Escofet remarked. Mexico's ceiling on exporting oil is 1.36 million barrels a day, 60 percent of which is destined for the United States and the remaining 40 percent is destined for Europe and the Far East.

Escofet said that if war breaks out in the Persian Gulf, there will be a shortage of oil. However, he insisted that Mexico is producing what it can produce. Even if it wanted to increase its exports it would not be able to. "Mexico's energy policies, foreign and domestic, are clear. We are honest and not hiding any cards under the table. Mexico cannot produce more oil even if it wanted to."

* Revolution Anniversary Draws Varying Appraisals

* Government Role Praised

91CA0044A Mexico City EL DIA in Spanish
 21 Nov 90 p 6

[Text of address by Interior Minister Fernando Gutierrez Barrios on the 80th anniversary of the Mexican Revolution, at the Monument to the Revolution, Mexico City, 20 Nov 90]

[Text] Citizen Carlos Salinas de Gortari, Constitutional President of the United Mexican States;

Honorable representatives of the legislative and judicial branches;

Distinguished members of the presidium;

Ladies and gentlemen:

To honor the memory of heroes is to give public testimony of our pride and appreciation for what is our own. The past, the present, and the future draw Mexicans closer together in a clear and incorruptible quest for justice, independence, and peace. At this point in history, when the dynamic of change is modifying theses, philosophies, programs, and economic and political domains, our reconciliation and solidarity with the most important values of the national conscience take on added importance.

Today we have gathered here with the chief executive of the nation to commemorate the heroic feat of the Mexican Revolution, to recall what its principles and objectives were, what its purposes and goals were, and above all, what our historic responsibility is for keeping it alive.

The State Rules Out No Options

Ceremonies such as this one today are the clearest evidence that the government is still committed to the doctrinal programs that were the foundation and the *raison d'être* of the revolutionary movement of 1910. Here, in this place, it is demonstrated that despite adverse circumstances and regardless of any contingency, the nation is continuing its march toward the full achievement of its destiny. The State is not ruling out any options, much less limiting its possibilities. Time and again it revitalizes itself, engages in self-criticism, and renews itself. With certitude, rigor, and self-assuredness, it changes and evolves day after day to keep pace with the ever-changing reality of our times. We are a people who have experienced a long period of social and political stability. This has been possible because we have remained true to our revolutionary postulates. Flores Magon, the Serdars, Madero Zapata, Villa, Carranza, Obregon—all sowed the seeds of ideals and set examples of vanguard behavior.

Our revolution, the first in this century, is the doctrinal synthesis of desires for improvement and yearnings for a better life. Its postulates are being revitalized constantly and consistently. The actions of the revolution fit within the framework of the juridical spirit that guides our society, shunning deleterious imbalances and offensive exclusions. It is the impulse that stimulates our daily efforts to work effectively and achieve the change that the president of Mexico desires, an eminently revolutionary change. Justice and Liberty in an economy of abundance is the current challenge.

We have seen 80 years of progress on all fronts. The Mexican Revolution blazed the trail for modern Mexico, and we are following that trail with confidence, heading for the 21st century. In many ways, that century has already begun.

We come from a revolution that has been able to retain the vigor of its principles so that it can shape the efforts of all Mexicans. These principles are the fruit of the efforts and dedication of many generations who have striven to keep them alive, to put them in the form of laws and to translate them into institutions. The implementation of these principles has given us social peace, political stability, and widely-recognized harmony. Our revolution has invigorated the national being. For this reason, ours is a living and breathing revolution that is still vital enough to continue guiding the nation's higher destiny.

Principles of the Revolution Still Alive

The revolutionary principles of democracy, liberty, justice, and sovereignty are still alive. Reform and legality

have lent permanence to the revolutionary program: reform, to keep up with the times, to solve unprecedented problems in an effective way, and to give a new and renewed impetus to the revolutionary program; and legality, because only through the law can we make changes and keep the nation united.

The revolution has and always will progress in stages. What is important is that the principles be reaffirmed at all times. Only in this way will we be able to continue moving forward. Change demands that we restore the original intent of our revolutionary proposal. It also requires that we promote reforms that will enhance democratic aspirations, take care of unfinished business, and meet the urgent needs of our people, while at the same time promoting increasing solidarity among all Mexicans.

The fundamental challenge at this time in the revolution is justice. Without justice Mexico would not be what it is. Justice adds meaning to liberty and the defense of our sovereignty. Hence the changes that the nation needs to strengthen peace and internal stability. Only if we are united can we build a strong and vigorous economy that is highly productive. Only if we are united can we consolidate democratic institutions based on respect for the law and consideration for the adversary. Only in this way, united in solidarity, can we ensure the prosperity of each and every Mexican who has pinned his hopes on a better future.

The government of President Salinas de Gortari has the political will to build a new democratic era for Mexico. It is a will that arises out of the president's personal conviction and the express desire of groups, individuals, organizations, and movements to expand and strengthen the avenues of participation and liberty that all Mexicans enjoy today.

Society demands and requires new and better political dispositions, within the framework of its institutions and under the unrestricted protection of the law, without destroying harmony, coexistence, and public order. It demands and requires a democratic reform that will expand liberty without any internal discord that might cancel out such liberty. Liberty means nothing in a divided nation.

The government is striving vigorously and decisively to achieve this end. It is promoting dialogue and encouraging the open discussion of public affairs. If we want to change our political structures, we must do so by seeking agreement and consensus among the political forces of the nation. We must reveal clearly the motives behind the government's decisions and actions. There is no deceit. We offer moderation and tolerance, dialogue for progress, and absolute respect for the law. This is the democratic thesis that forms the solid and clear foundation of the government of the republic.

Dialogue With All Political Parties

We have engaged in an ongoing dialogue with all political parties. The majority of the political forces that make up the Congress of the Union passed a new legal framework that provides a modern, responsible, and competitive electoral context.

The reform of the Constitution and the passage of the Federal Code of Electoral Institutions and Procedures represent a mature innovation. Thanks to the initiative of the political parties and the dialogue among them, we have an improved political tool for directing the political struggle and the electoral confrontation.

In this manner, we are making progress in the expansion and improvement of democracy. We are doing so without jeopardizing our political stability, and we are doing so to continue engaging in dialogue, as the only way of ironing out our differences and achieving the consensus that benefits the nation. This provides us with the appropriate legal framework for carrying out more orderly elections with a higher voter turnout. It is up to the political organizations to promote citizen participation and to instill new voting habits so that society will be aware not only of its rights but also of its obligations.

Democracy is a political process whose results depend on the will of the electorate as organizers of the process. We will make that commitment, but the results will depend on the ability of each political organization to convince Mexicans and win their votes.

We live today in a new democratic context, with political parties that are products of our country's revolutionary process. Our Constitution recognizes a democratic opposition as part of our reality, and promotes its vitality as a part of our political system. The president of the republic has offered this opposition dialogue, attention, and respect. We must recognize that the government's democratic attitude has translated into the achievement of accords with everyone; we seek consensus and joint efforts in order to avoid the threat of violence and turn the political struggle into a civilized contest, always regulated by mutual respect and governed by law.

Nation Rejects Violence and Sterile Confrontation

We are convinced that the nation rejects violence and sterile confrontation, since they counter its efforts and threaten the tranquility of every citizen. We want changes in our political institutions so that they will keep pace with the internal changes that our fatherland has undergone; but we want these changes to take place in peace, with stability, and at the pace set by the social dynamic.

The institutions that have given Mexico stability have been built on the basis of effort and daily work. We must never compromise them for the sake of personal interests, ignoring the interests of others.

Our State is governed by the rule of law. The norms that regulate our political coexistence are the product of

agreements that we are all obliged to respect and that we all must fulfill together. If they are not acceptable to us, there are institutional channels through which they can be modified, as long as we stay within our own legal system and make the changes through new acts of conciliation and consensus.

The political changes that we have promoted are not aimed at destroying our institutional bases or threatening the stability of the country. There is no nation that reforms itself in order to destroy itself. We Mexicans do not want to run unnecessary risks with drastic changes or misguided illusions. We want viable reforms that will effectively serve liberty.

We must not forget that the nations that pride themselves on their development and have managed to form institutions that meet their people's demands required long periods of stability to achieve this. So does Mexico.

We want a democracy that will strengthen our unity and consolidate what we have accomplished, a democracy that is based on respect for the law, a democracy that promotes competition among parties within the framework of the law, a democracy that promotes and reinforces the conditions that make government action possible, a democracy that encourages consensus and contributes new and better methods and procedures, acceptable to everyone, for resolving conflicts that arise out of the public debate of affairs that are of interest and concern to the nation.

We Are All Involved in Politics.

All the political parties are a fundamental part of our democratic system. The government has followed a practice of reaching decisions by taking into account the opinions and viewpoints of the forces that have shown an interest in participating. In many cases there has been agreement. In others, the differences have been expressed clearly and an effort has been made to find a solution that best suits all interests, so long as legality and the higher interests of the nation are not compromised in any way.

The country's democratic fabric is already a part of the internal life of the political parties themselves; it is a manifestation of an unusual organizational vitality that pervades society. It is assuming unprecedented forms of representation, beyond traditional patterns. It has obviously permeated the realms of decisionmaking and of directing the process of change and social transformation.

Just as it is unacceptable to violate liberties and rights on the pretext of social justice, it is also undeniable that any democracy is fragile if it is not based on a foundation of justice and equity to improve the population's living conditions. Both expressions of democracy feed upon each other and support each other. This is an essential principle that is given top priority in our constitutional norms.

The new democratic context in our country has prompted us to promote and strengthen the autonomy of individuals and groups. With clear rules and specific responsibilities we are strengthening a new political culture in the underprivileged areas, in the low-income neighborhoods. In the municipalities and in the various regions of the country, the government has made specific commitments to all the communities, regardless of their political affiliations. The goal is to expand their organizational capacity and undertake joint commitments for social prosperity.

The progress of democracy is also evidenced in the achievement of its objectives, in the existence of a new political culture that is creating an attitude of joint responsibility among autonomous and independent organizations. The purpose of liberty is not to exercise it for its own sake, but to expand the development potential of the individual in a real commitment to justice. Liberty is not genuine if it is not present for everyone; equitable conditions are always necessary so that all of us can enjoy liberty.

We are going to continue along the path of democracy, true to the original principles of the revolution. We will continue along the path of law, convinced that our future is none other than that of a system of republican institutions that obey the will of the people and the demands of all Mexicans.

Political Parties Must Act in Accordance With the Law

The political parties have an obligation to act in accordance with the law. It is the rule of law that guarantees a civilized coexistence. Just as every political organization makes use of the prerogatives that the law grants it to organize, spread ideas, and carry out its campaigns to convince the citizenry, it must also assume the responsibilities that the law requires of it in its political functions.

Every political organization must understand clearly that its status as a party does not give it any more privileges than the rights that all Mexicans enjoy. The parties are national organizations whose first responsibility is to the people of Mexico. They are public interest entities that are recognized by our Constitution and that possess instruments and legal channels for resolving any controversies that arise out of the electoral contest.

Practices that merely violate the spirit of harmony among Mexicans cannot be allowed to continue, nor can attempts to resolve our conflicts abroad. Much less can every electoral process be turned into an extreme test of the willingness to engage in dialogue and the open-mindedness that the government of the republic has shown on repeated occasions.

For this reason, the avenues of participation and liberty that are constantly being promoted are open to all of our society. In all areas of the country, citizens want to participate and assume responsibility for their own destiny. This is a new culture that demands tolerance and

political equality in the actions of the government. We govern for everyone and we encourage the participation of everyone. This we do by constitutional mandate, but we also do so because it is an ethical commitment by President Salinas de Gortari to the entire nation.

Mr. President of the Republic, ladies and gentlemen:

The doctrine of the revolution is ours, just as its far-reaching reform-oriented demands are ours. As far as the revolution is concerned, there are no absolute truths or perfect systems. Change and renovation are inseparable realities that converge in the social dynamic. The relevance of our revolutionary movement is based not on conformity but on action. Our political objectives go beyond utopia to faithfully follow the constructive route chosen by our people.

In the context of contemporary Mexico, our social movement continues to stimulate consciences. It has new and important commitments to carry out. Its scope cannot prevent anyone from doing anything, because it is impossible to place limits on history.

The institutions, unalterable in their essence, are an integral part of the life of the republic as an expression of history and national will. They reflect the complex composition of society and its vigorous and dynamic nature. Ours are not rigid institutions, petrified in time. They attest to what we have been and to the effort we have made to improve ourselves. Our institutions evolve just as society does. This is the true test of the political maturity of a nation that preserves the essential and changes the outmoded, that transforms without deforming, that improves without replacing, that advances without the burden of inertia, but also without the risks of haste.

Let this commemorative event be an occasion for announcing new and better achievements for this noble, generous, hard-working nation. Let social and political pluralism enrich our democratic opportunities. Let the republic take advantage of and benefit from the civilized coexistence of the political forces. In our differences and disagreements, let us regard each other as adversaries, never enemies. Let partisan passion remain within the bounds of law and reason.

Let no external circumstance temper our dynamic enthusiasm. Let no foreign values deform the essence of our identity. Let nothing interfere with our right to grow and progress. Let us uphold the dignity and sovereignty of our people, and let us further strengthen our democracy. Let us continue living in peace and tranquility. Let us continue building our destiny with the principles of justice and liberty, which are the pillars and foundation of that great social movement that was, is, and always will be the Mexican Revolution.

* Lack of Achievements Cited

91CA0044B Mexico City EXCELSIOR in Spanish
21 Nov 90 pp 1-A, 10-A

[Lorenzo Meyer commentary: "Revolution or Evolution? The Mexican Paradox"]

[Text] The Mexican Revolution began 80 years ago and ended a half century ago. It is a historical fact that already belongs to our past; the protagonists are now dead.

The question posed nearly a quarter century ago by an international group of historians, "Is the Mexican Revolution Dead?" (a book compiled by Stanley R. Ross), is as valid today as it was then, perhaps even more so. But the answer cannot be as conclusive as the question suggests. In fact, it is valid to respond: Yes, the Mexican Revolution is dead...but it is alive. Indeed, it has been a long time since the demise of those who participated in that event of cataclysmic proportions, and the results of what was done or not done by men, groups, parties, and society at large are open to objective examination.

The Mexican Revolution was and is something more than facts; a fundamental part of it is its motives and the principles for which some of the protagonists hurled themselves into the great venture—and for the sake of which they killed and died, destroyed and built. These motives and principles are still alive, as meaningful today as they were that fall 80 years ago when a young man from Coahuila (a generous man despite his privileged background) in his role as leader of a recently formed party (the Anti-Reelection Party) issued a dramatic appeal to Mexicans to rise up in arms against an oligarchic government whose lack of legitimacy was in direct proportion to its years in power and its disdain for democratic norms.

Revolutions are social cataclysms that do not come very often; how many failed attempts are there for every one that triumphs? One hundred? One thousand? And their impact is of such a magnitude and nature that it really lasts for generations and never dies altogether. Today, for example, more than 2100 years later, we are still moved by the story of the Gracchus brothers, Tiberius and Gaius, Roman patricians who led a movement to redistribute rural land among the common people, and who gave their lives in an effort to make Roman society more just. Two hundred years after the French Revolution, we are still obliged to take sides. And that is not to mention the revolutions of this century, which started out with the Mexican movement, followed by the triumph of a soviet in Russia. That unleashed a chain reaction throughout the world which has only recently lost its momentum.

Revolution (the term comes from late Latin and refers to the stars going around in their orbits) in its political sense simply refers to "an absolute and total alteration of the existing structures of an established social order, replacing them with different ones." It involves a rapid

and violent change that is at once the cause and the result of a profound social conflict.

The opinion we have of a given revolution, in this case the Mexican Revolution, depends in large measure on the times and on our particular situation as observers. In any case, like it or not, we judge the historic event, that fantastic burst of social energy, from the perspective of our current concerns. Pure objectivity does not exist, much less when it comes to seeking the meaning of an event as fraught with ethical and practical implications as the violent destruction of an established order, one which affected the lives of millions of human beings.

Today, as our century draws to a close, enthusiasm for revolutions as instruments of rationality and justice has diminished. And there are reasons for this. The postrevolutionary reality does not justify, neither here nor in Russia, the optimism of those who at one time regarded and proclaimed revolutionary change—violence in the name of justice—as the key that opened the gate to the path that would inevitably lead the societies that took it to higher stages of coexistence. From this perspective, revolutions were seen as the force that untied the knots of vested interests, knots that had prevented the untrammelled development of human rationality. According to those who advanced this argument, through fire and revolutionary blood, and after the injustices and suffering produced by the heat of battle, substantive harmony and justice would be won.

Today there is no longer much room for such revolutionary optimism. An evaluation of what was done or not done here in Mexico, in the country of the soviets, in China, and in all other places where revolutionary movements broke out and triumphed in this century, inevitably brings us face to face with the effects of the tremendous postrevolutionary irrationalities, with the new structural injustices that arose out of the well-intentioned effort to make utopia a reality.

In our case, the pages of history tell us that the end of the Cardenist era was also the end of the Mexican Revolution. With the outbreak of World War II, Mexico entered the postrevolutionary period and began to experience the reality of the institutions and the order that were created by the recently concluded revolution. And there is no doubt that Mexico has changed a great deal since 1940. The general level of well-being has increased, and the figures tell us, for example, that despite our population growth, per capita income has risen significantly, from nearly \$80 in 1940 to about \$1,800 today. Life expectancy in 1940 was 38.4 years; today it is 69.1 years. In 1940, 43.5 percent of the population was literate; today the figure is 85 percent. Nevertheless, it is fair to ask to what extent this change is the product of the Mexican Revolution and to what extent it is merely the result of a general evolution that would have occurred more or less inevitably, just as it has in Brazil or Venezuela.

The unanswered question of the Mexican Revolution is not only how quickly has Mexico undergone a material

transformation, but also, in terms of substantive justice, how well have the scarce resources of society been distributed. The latter is, by definition, a political matter in which the impact of the revolutionary movement was supposed to be greater. Thus, the difference between our country and those that did not undergo any revolution was supposed to grow larger.

Nonetheless, as early as 1971 a U.S. writer, Roger D. Hansen, examined the income distribution figures for Mexico and compared them to those of other Latin American countries. He found that Mexico was at the head of the list on the Latin American subcontinent—the list of inequality in the distribution of wealth! That was “the Mexican paradox,” which Hansen defined in terms of this question: “How is it possible that the only Latin American country to undergo a profound revolution before 1950 has ended up following a path toward economic development that combines the sustained sacrifice of those who are at the bottom of the social pyramid with the systematic benefit of those at the apex?”

If we look at the figures for the distribution of disposable income among Mexican families that appear in a recent study by Banamex (Mexico Social 1988-1989), we see what Hansen was trying to say. In 1950, the poorest 50 percent of Mexican society received 17.47 percent of that income, while the most fortunate 20 percent ended up with 58.89 percent. By 1983, the last year for which the study gives figures, the ratio had barely changed: 19.19 percent of the income went to the poorest 50 percent, and 50.60 percent went to the richest 20 percent. Although the middle class did manage to grab a little piece of the social pie from the upper class, the poor ended up with the same amount. This is the Mexican Revolution in practice.

If the inequitable distribution of income and the failure of the economic model that was supposed to put Mexico on the road to self-sustained growth are viewed in conjunction with other factors, the picture grows gloomier still. These factors include the persistence of corruption at all levels of the government's bureaucratic machinery, the constant violations of human rights by those who are presumably in charge of enforcing the rule of law (police officers, prosecutors, judges), and the maintenance of the power monopoly enjoyed by the “almost single party” by means of fraud. And the list goes on.

In view of the above, how should we now judge the Mexican Revolution? How can we justify this to the thousands of combatants who fell at Celaya in April 1915, and who paved the way for the installment in power of those who were supposed to make the revolutionary program a reality? What about the demographic catastrophe that was recorded in the 1921 census, when instead of an increase of 1.5 million over the 1910 population, there was a decline of 825,000 inhabitants?

Considering the results of the last 50 years, we can conclude that the sacrifices demanded by the Mexican Revolution were not justified. And yet, without denying the foregoing, it can also be said that precisely because the historic accounts have not yet been rendered, given that there are still blank pages in the book, the Mexican Revolution is not over; it is still alive. But its vitality does not lie in the government institutions, the circles of public and private power; it lies outside of them, in society.

It is clear that Madero's initial demand for "effective suffrage" has not yet been met, so it is still entirely relevant; in fact, it is even more pressing today than yesterday. The Mexican Revolution proposed political democracy as a means, not an end, because that movement had essentially different ends. Those ends, which are also still relevant and legitimate, can be summed up in one term: justice, substantive justice.

The Mexican Revolution sought to do away with the brutal legacy of the conquest and colonialism, with exploitation and discrimination against the many by the few. The revolution tried to leave behind the inhumanity of discrimination, the daily and collective humiliation that the majority of Mexicans had endured for centuries. The revolution aimed to create a true harmony among individuals, groups, and religions, and between the country and its neighbors in the world. In the end, the original intent of the Mexican Revolution was to give Mexicans the dignity they deserved, which the structures and the men of power had denied them.

The Mexican Revolution can and should remain alive; the good intentions that underlie it make it the best effort we have ever made. So long as the far-reaching demand that Mexicans be given back their collective dignity is not met, the revolution will remain alive. It is alive as an aspiration. Once it becomes a reality, the revolution will live among us as a daily practice. But that day, I fear, is far away, very far away.

Belize**Guatemalan Leader Hints at Improved Relations***FL1401160091 Bridgetown CANA in English
1925 GMT 13 Jan 91*

[Text] Belize City, Jan 13, CANA—Jorge Serrano, newly elected president of Guatemala, says his country's territorial claim on Belize could soon be "a thing of the past," a newspaper here reported. The REPORTER, in a page one story, quoted Serrano as saying after his run-off election victory last week:

"Belize is a member of the United Nations, and now of the OAS (Organisation of American States). The claims belong to the past. I will support, and we will help Belize in what ways we can."

Historically, Guatemala's claim goes back to the middle of the last century. Guatemala which had recently gained independence from Spain maintained that the British settlement on the Caribbean coast belonged to them. The British said that because Spain had never occupied the land Guatemala had no rights to it. A treaty was signed between them in which Britain agreed to build a road to Guatemala in return for recognition of British sovereignty. The road however was never built and from time to time Guatemala has made threatening noises.

The claim delayed Belize's full independence until 1981. Since then Guatemala has been deterred by a 2,000 strong British garrison.

Over the last five years, Belize has been negotiating entry into the OAS which changed its charter in 1985 to allow inclusion of countries subject to territorial claims. It was admitted last week.

Now, with the election of President Serrano who has committed himself to end the 30 year battle between the Guatemalan Army and rebels, the way looks clear for a resolution of the Belize dispute.

A former Costa Rican diplomat to Guatemala, Fernando Borbon told the REPORTER Serrano's election provides a vigorous leadership, not only for Guatemala, but for all of Central America.

"Jorge Serrano is a man who has led an exemplary Christian life; a tireless champion of the poor and those in need; a man of vision who is a firm believer in the integration of the Central American isthmus, from Belize to Panama."

Without a doubt, with Serrano as president, the relations between Belize and Guatemala will improve and grow stronger by the day and it won't be long before diplomatic and consular relations will be restored," he said.

Costa Rica**Impact of Gulf Crisis on Security Detailed****U.S. Troop Movement Reported***PA1401140091 Mexico City NOTIMEX in Spanish
1311 GMT 14 Jan 91*

[Text] San Jose, 14 Jan (NOTIMEX)—Troops from the U.S. Southern Command based in Panama were deployed to positions near the border with Costa Rica, a group of Palestinian shopkeepers reported here.

The community of merchants from Lebanon and the Gaza Strip who live along the Costa Rican-Panamanian border said here that they feel threatened by the military activity in the area.

According to their reports, a convoy of armed troops were deployed to the border several days ago.

An official Panamanian version has it that the troops would be working on public works.

In the opinion of about 40 Middle East merchants, the deployment of troops is linked to the deadline imposed by the UN Security Council upon Iraq for it to withdraw from Kuwait.

Palestinians File Complaint*PA1401165091 Panama City ACAN in Spanish
1531 GMT 14 Jan 91*

[Excerpts] San Jose, 14 Jan (ACAN-EFE)—A group of Palestinian and Lebanese merchants living in Costa Rican towns near the border with Panama reported today that U.S. troops have been deployed over the entire area to keep watch over them in view of a possible war in the Persian Gulf.

According to Costa Rican newspaper LA REPUBLICA, the merchants said that they were followers of the PLO, but are opposed to the use of violence.

The 40 businessmen, who allegedly filed the complaint, said that since last Saturday, U.S. troops have been deployed to the towns of Concepcion, Bugaba, Cerro Punta, and Volcan, located in the Panamanian province of Chiriqui, bordering Costa Rica, and that they were led by a Panamanian Public Force patrol.

The sources said, however, that "officially" the "convoy" came to the area to do "public works." The sources state that they believe the deployment is to protect the area in case war breaks out in the Middle East and to "watch" them.

The Palestinians, who say that they have relatives living in the Gaza Strip, occupied by Israel since 1967, are afraid of the deployment of troops, which they described as a "joke in bad taste." [passage omitted]

Costa Rican Security Minister Victor Herrera said on Wednesday, 9 January, that if war breaks out in the Persian Gulf, his office has a national security plan ready, which includes the "surveillance" of some residents of this country, but he did not elaborate.

Authorities Declare 'Total Alert'

PA1501004191 Mexico City NOTIMEX in Spanish
2217 GMT 14 Jan 91

[Text] San Jose, 14 Jan (NOTIMEX)—Costa Rican Public Security Minister Victor Emilio Herrera said today that the Costa Rican authorities are in a state of "total alert" to look out for "any fanatic" from the Middle East "who may want to carry out an attack in the country."

Herrera told NOTIMEX that despite the fact that Costa Rica has not had an army for the past 40 years, "it can still suffer a terrorist attack carried out by a fanatic."

According to the minister, the Costa Rican police have a 24-hour watch on possible terrorist targets and have control over citizens from the Arab countries that support Iraq.

Other police sources have said that the Costa Rican authorities view the Palestinians and a few Iraqis who live in various Costa Rican cities as the ones who represent "the greatest danger."

Some of the facilities under police protection are land communication means, airports, power plants, oil pipelines, and ports.

Minister Herrera reported that Rogelio Ramos, head of the Intelligence and Security Directorate, visited the Panamanian border today and reported that he had observed no troop movement on the Panamanian side.

Panamanian sources reported today that U.S. Southern Command forces stationed on the banks of the Panama Canal have been mobilized to the Panamanian borders with Costa Rica and Colombia to help in the construction of infrastructure [infraestructuras] in those regions.

Palestinian businessmen in the border region have charged that the U.S. troops could represent a threat to them if war breaks out in the Persian Gulf.

Police Deployed to Region

PA1401214991 Mexico City NOTIMEX in Spanish
1916 GMT 14 Jan 91

[Text] San Jose, 14 Jan (NOTIMEX)—Costa Rica today deployed policemen to its border with Panama, Public Security Minister Victor Emilio Herrera has told NOTIMEX.

Herrera added that most of the policemen who are being transferred to the southern region of the country will be posted in Sixaola and Paso Canoas, the main border posts shared with Panama.

The minister made these statements before meeting with the Public Force Staff to discuss a security operation that will be implemented because of the Persian Gulf crisis.

Although Herrera did not specify the reasons for adopting this measure, official circles did say that it is because of the current Persian Gulf situation.

Official sources confirmed for NOTIMEX that U.S. troops stationed in the Panama Canal area were deployed over the weekend to the Costa Rican border, where a large community of Palestine and Lebanese businessmen resides.

Costa Rica does not have an Army, and the police are in charge of security and control operations.

Entry of Gulf Residents Restricted

PA1501030191 Mexico City NOTIMEX in Spanish
0206 GMT 15 Jan 91

[Text] San Jose, 14 Jan (NOTIMEX)—The Costa Rican Security Council tonight agreed on strict immigration measures to be applied to citizens of countries involved in the Persian Gulf crisis.

Government Minister Luis Fishman announced that the authorities will impose restrictions on the entry into Costa Rica of citizens of Iraq, Palestine [as received], Syria, Jordan, and Libya.

Citizens of other nationalities who have resided in or recently visited those countries will also be barred from entry.

Public Security Minister Victor Emilio Herrera stated at the end of an emergency meeting that Costa Rica is cooperating with Panama in surveillance of the border between the two countries.

Authorities of the two nations are especially vigilant in the areas of Paso Canoas and Sixaola, the main border ports, where land and air detachments have been deployed.

The Security Council is also coordinating with the Transport Ministry to carry out surveillance of highways, railroads, airports, and ports.

Government Official Discourages Fuel Hoarding

PA1501040891 San Jose Radio Reloj in Spanish
0116 GMT 15 Jan 91

[Text] The government has guaranteed oil supplies throughout the country and has appealed to the people not to store gasoline, diesel, or any other kind of fuels in their homes.

The minister of the presidency, Rodolfo Mendez, said that the country has fuel reserves for 40 days and that normal fuel shipments have been planned to provide normal distribution of oil by-products at the national level.

In recent hours there has been an excessive demand of fuel by consumers who fear that if there is a war in the Persian Gulf there will be a shortage of fuel, but the Costa Rican oil refinery has enough reserves, the minister of the president said.

The minister appealed to the Costa Ricans not to store fuel in their homes, shops, or factories. He cautioned that storing fuel might cause serious accidents. There is no reason for storing fuel in homes in improper containers because domestic fuel supplies will remain normal, the minister said.

He guaranteed that [words indistinct] diesel, gasoline, and other oil by-products will be normal throughout the country even if war breaks out in the Persian Gulf.

El Salvador

Opposition Groups Rally Against ARENA

PA1401234191 San Salvador Canal Doce Television
in Spanish 0300 GMT 10 Jan 91

[Text] Delegates of the Trade Union Commission met today, 10 January, in their first general assembly which ended with the signing of the document called Platform To Achieve Peace and Real Democracy. They expect this document to be discussed at the negotiating table.

According to the leadership, with the signature of the unions and opposition groups belonging to the trade unions and the CPDN [Permanent Committee for the National Debate], there is a pledge to defend and achieve its objectives. The platform contains basic agreements to work for peace and to guarantee a real democracy based on principles of national agreement. In view of the need to create a climate of demilitarization, they also said they supported the document proposed by the United Nations.

Marco Tulio Lima specified that the objective is to defeat ARENA [Nationalist Republican Party] in the March elections in order to start making changes.

[Begin Lima recording, in progress] ...this means that we have to rid the Armed Forces of at least 500 officers. They must go to hell, friends [applause]. It means that we must tell the Civil Defense Forces, the National Guard, the National Police, and the Treasury Police to go to hell because they are the ones that attack us everyday. It means that we must defeat the [words indistinct] of ARENA, the death squad that [words indistinct]. Are you afraid, friends?

[Crowd] No, no.

[Lima] You are not afraid?

[Crowd] No, no.

[Lima] Do you have guts?

[Crowd] Yes.

[Lima] Then.... [end recording]

Miguel Aleman, also a member of the trade union, referred to the work being done with all the social sectors. He said that once ARENA is defeated, this commission must be very careful so as not to betray the people.

[Begin Aleman recording] What does this mean? This means that together we are stronger and more numerous and we can solve this problem. [Word indistinct] within us [one-second break in transmission] we are going to be facing the people when they are hungry and then turn our backs on them; that is [words indistinct]. Thank you very much. [end recording]

The assistant to the congress stated that after signing, there must be a commitment of those who signed, because otherwise it will be meaningless.

Roundup of Battle Reports Between 3-12 Jan

PA1401151491

[Editorial report] (Clandestine) Radio Farabundo Marti in Spanish to El Salvador at 0000 GMT on 6 January reports that the Atlacatl Battalion suffered a number of casualties over the previous three days in Chalatenango. On 3 January, the announcer reports, the battalion suffered two casualties in San Miguelito; on 4 January, an Atlacatl unit commander was wounded in El Gavilan Hill and four casualties resulted when Atlacatl Battalion troops carried out operations in areas where mines had been placed; on 5 January, Farabundo Marti National Liberation Front (FMLN) rebels wounded a soldier in La Bola Hill, San Jose Las Flores Municipality, the battalion suffered another casualty in El Gallinero, and FMLN fighters inflicted four more casualties in Chalatenango.

Radio Farabundo Marti at 0000 GMT on 8 January reports that the Army continues its military operations in areas under guerrilla control. The announcer explains that the operations are against the civilian population. "The National Army for Democracy has punished Atlacatl Battalion and regional troops by inflicting on them a total of 158 casualties between 20 December and 7 January." The casualties of government forces include one officer, one unit commander, and one radio operator, Radio Farabundo Marti reports. During the 18 days of the Army operation, FMLN forces have captured four soldiers, and the radio reports that "we have released these soldiers, thus complying with the Geneva Agreement on war prisoners."

(Clandestine) Radio Venceremos in Spanish to El Salvador at 0000 GMT on 8 January reports that on 5 January, the National Army for Democracy attacked an Atlacatl Battalion force in Ojos de Agua Municipality, in Chalatenango, and inflicted 10 casualties on the government forces. Earlier that day, the Army for Democracy had inflicted one casualty in San Jose Las Flores Municipality and two others in El Jicaro, the announcer states.

On 6 January, the announcer reports, the rebels inflicted five casualties on government forces in La Burrera Hill. "The forces of the National Army for Democracy have inflicted 18 casualties on the Atlacatl Battalion troops in Chalatenango Department." The announcer adds that on 6 January FMLN units destroyed four utility poles that had been used to hold up high tension cables that extended from Cerro Grande to Nejapa. Also, the radio reports that on 7 January, San Salvador urban commando units ambushed a pickup truck transporting Finance Police units over the Trevol Bridge. The police suffered five casualties, including one corporal, the report adds.

Radio Venceremos at 0000 GMT on 9 January reports that the National Army for Democracy inflicted seven casualties on 2d Brigade troops in Santa Ana Department on 8 January when it carried out an ambush in Las Brisas Canton, Santa Ana Department.

Radio Farabundo Marti at 0000 GMT on 9 January reports that on 8 January, troops of Military Detachment No. 2 triggered a mine that had been placed by units of the National Army for Democracy and suffered four casualties in Cinquera Municipality, Cabanas Department.

Radio Venceremos at 0000 GMT on 11 January reports that on 10 January, FMLN forces attacked Civil Defense units in San Lorenzo Canton, Cabanas Department, which suffered one wounded. Also six prisoners were taken, including the first and second commanders of the local Civil Defense unit. The announcer adds that the FMLN units seized six M-14 rifles and other war materiel. The report also notes that on 9 January, in Cerro Boticon, Morazan Department, the Arce Battalion suffered three casualties.

San Salvador Canal Doce Television in Spanish at 0300 GMT on 12 January reports that during the morning of 11 January, FMLN guerrillas flattened the tires of three buses along the road to La Libertad Port. It is also reported that a guerrilla attack with explosives caused considerable damage on three levels of the Democracy Tower building on the morning of 11 January and that on the evening of 10 January, FMLN guerrillas destroyed "at least four light poles in various parts of the capital." The station also reports that the Armed Forces have advised that one soldier and one guerrilla died on 10 January in a clash in San Jose Guayabal, Cuscatlan. It is later reported that on 10 January, alleged guerrillas set fire to a bus in Usulután Department.

Radio Venceremos at 0000 GMT on 12 January reports that on 10 January urban commando units of the National Army for Democracy attacked an Armed Forces building under construction in San Salvador with 200 pounds of dynamite. Also on 10 January, FMLN units are reported to have blown up utility poles in San Vicente Department and to have inflicted two casualties

on the Bracamonte Battalion. Three utility poles were destroyed in Jocoro Municipality, Morazan Department, the announcer adds.

Radio Farabundo Marti at 0000 GMT on 12 January reports that at 0535 on 11 January, the National Army for Democracy attacked a government patrol at El Caballete Hill, Chalatenango Department, and inflicted five casualties. It is also reported that the government forces suffered another casualty at Ocote Redondo Hill and that in Las Canas and (Topeyac) FMLN units inflicted three casualties on Military Detachment No. 1.

Radio Venceremos at 0000 GMT on 12 January reports that the FMLN forces "continue to dominate roads and towns throughout the country while the Armed Forces are running out of control."

Honduras

* Nation Reacts To Catastrophic Flooding

* Crop Insurance Proposed

91CA0047A San Pedro Sula TIEMPO in Spanish
29 Nov 90 p 3

[Text] Tegucigalpa—A government technical commission, the Standing Committee of the National Congress, peasant leaders, and agribusinessmen have begun to talk about setting up an Agricultural Contingency Fund to help Honduran farmers handle natural disasters.

The bill to establish this fund, which will have to be approved by Congress, was presented yesterday by a government technical support committee for the Congressional Standing Committee to leaders of peasant organizations and to FENAGH [National Federation of Farmers and Cattlemen of Honduras].

This commission rejected the establishment of Agricultural Insurance, as proposed by peasant organizations. It was stated that such a system has had negative results in the Latin American nations which have tried it.

The Agricultural Contingency Fund will have immediate resources to aid Honduran farmers to rehabilitate agricultural operations which have been destroyed or damaged by natural phenomena like floods, droughts, pests and diseases.

Under the proposal formulated by government technical specialists, this fund will be set up with contributions from farmers, and it may also receive some government funding.

Resources should also be obtained by placing securities in the market, outside payments, and capital paybacks from the loans it grants.

In order to channel funds, the specialists recommend setting up a special deposit account for these funds in the Central Bank, issuing regulations to administer the

resources, and determining which government and private agencies will control it.

These regulations will be contained in a draft decree to be voted on by the National Congress during special sessions scheduled between 17 and 22 December.

At yesterday's meeting the peasants and farmers told the specialists and deputies that immediate financial assistance needs to be provided to the plantain, banana, and cane growers who have been hurt by the floods.

Peasant leader Marco Tulio Cartagena said that because of the disaster and the accumulation of overdue debts to both public and private banks, lenders have cut off credits, thus worsening the situation.

He said that the peasants have proposed that in addition to producers, the fund be capitalized by both national and multinational companies which use their raw materials, either for the domestic market or for exports.

Cartagena said he supports setting up this Agricultural Contingency Fund, but warned that it must be done quickly, as thousands of peasants and independent agribusinessmen need fresh resources to enable them to continue working.

The cane growers' representative, Romualdo Caballero, said their crop losses amount to about 300,000 lempiras, plus partial damages caused by flooding and the cost of salvaging the crops.

He reported that in the floods about 1,960 "manzanas" [one manzana equals 1.75 acres] of cane were totally destroyed.

He said that now "we have no capital to work or tend the cane" that is still standing. He said their traditional sources of financing were closed off after the floods.

Cartagena said that the government should also consider forgiving debts in deserving cases, in addition to granting financing to producers.

The participants in this meeting said they do not know the initial amount of capital this fund would have to operate, but Congress recently suggested providing funding of 20 million lempiras to rehabilitate crops in areas which have been hurt by floods.

The secretary of the Standing Committee, Andres Torres, said that the deputies will continue to meet with representatives of the affected sectors and the government during the next two weeks in order to prepare appropriate legislation for passage by Congress.

* Crop Losses Quantified

91CA0047B Tegucigalpa LA TRIBUNA in Spanish
21 Nov 90 p 59

[Text] Losses caused by floods in northern Honduras amount to over 88 million lempiras, according to a report prepared by the Natural Resources Regional

Office in San Pedro Sula, in coordination with the INA [National Agrarian Institute], BANADESA [National Agricultural Development Bank], and SECPLAN [Department of Planning and Budget].

The study, completed last Saturday, was based on the estimated production which would have been generated by 18,033 hectares planted in corn, beans, rice, bananas, plantains, sugar cane, vegetables, yucca, pasturage, sorghum, and cocoa.

The study indicates that 4,942 families have suffered crop losses.

Carlos Ernesto Sabido, the regional Agricultural Extension director, said that last Friday and Saturday Natural Resources, INA and BANADESA specialists visited Puerto Cortes, Baracoa, the Choloma lowlands, Villanueva, Potrerillos, Higuierito, Pimienta, El Progreso, La Lima, San Manuel, Guanchias, Santa Rita, and the Perdiz lowlands to obtain data on crop losses. These data were then tabulated, as shown below.

Crops	Hectares	Losses (millions of lempiras)
Corn	3,958.90	7,336,815
Beans	10.80	19,482
Rice	1,142.00	4,073,300
Bananas	6,791.02	64,439,349
Plantains	1,863.51	7,838,444
Sugar Cane	3,623.54	4,170,850
Vegetables	22.50	577,325
Yucca	54.50	137,255
Pasturage	552.00	Not estimated
Soy	12.60	22,200
Sorghum	4.00	7,400
Cocoa	4.80	5,200
Total	18,038.17	88,627,660

The report was presented by SECPLAN officials to President Rafael Callejas during his tour of the devastated area yesterday.

* Coffee Loss Described

91CA0047C San Pedro Sula TIEMPO in Spanish
22 Nov 90 p 2

[Text] Tegucigalpa—About 49,000 bags of gold-quality coffee have been lost in nine coffee-producing departments as a result of the rains which have fallen in recent days, according to a report IHCAFE [Honduran Coffee Institute] presented yesterday to President Rafael Leonardo Callejas.

According to this report, for the 1990-1991 coffee growing season the estimated production expected was 2.64 million bags of gold coffee. This amount will not be

produced because of crop losses amounting to 48,892 bags. This figure may climb still higher if the current weather conditions persist.

IHCAFE said that the coffee producing departments affected by the weather are: Santa Barbara, Copan, Yoro, El Paraiso, Comayagua, Marcala, Olancho, Cortes, and Francisco Morazan.

The report notes that the coffee crop affected is 1.85 percent of the total. "This will mean a loss of \$4,106,928," based on the current international market price of \$84 per bag.

"So far Honduran coffee producers will lose approximately 12 million lempiras, calculated on the basis of 80 percent directly attributable to the weather. This is equivalent to 39,114 bags, using an estimated domestic price of 330 lempiras per bag," explained the IHCAFE report.

Moreover, the report indicated that in Santa Barbara, Comayagua, Yoro and El Paraiso, the intense rains have washed out 636.5 kilometers of roads leading to the coffee growing areas.

Nicaragua

Let Us Save Democracy Movement Plans Protest

PA1001142391 Managua Radio Corporacion
in Spanish 2300 GMT 9 Jan 91

[Text] The Let Us Save Democracy Civic Movement has issued a communique to demand the immediate release of Orlando Martinez, who was unfairly arrested for the Jalapa incidents—incidents in which he did not even take part in and was not even present. The communique also demands the release of Manuel Velasquez, who is unfairly under arrest in connection with the Cebaco incidents. Efforts for his release have already been made through the military authorities. The Let Us Save Democracy Civic Movement also invites the Managua citizenry to take part in the great march for peace and democracy on 13 January, which will depart from the area opposite LA PRENSA publishing house at 0900. This march will end near the Olof Palme Convention Center, the place where Dr. Pedro Joaquin Chamorro Cardenal—a martyr for public freedom—was murdered.

Demonstration Termed 'Success'

PA1401162991 Managua Radio Sandino in Spanish
1200 GMT 14 Jan 91

[Text] Approximately 15,000 persons, mostly brought in from the interior of the country, yesterday marched from the building where the newspaper LA PRENSA is published to the Olof Palme Convention Center to demand the dismissal of General Humberto Ortega and Presidency Minister Antonio Lacayo. This demonstration,

organized by the Let Us Save Democracy Civic Movement, was headed by Vice President Virgilio Godoy and Miriam Arguello, former president of the National Assembly.

No incidents were reported over the course of the demonstration, except for some name-calling of policemen who were in the Government Ministry building. The organizers felt their protest had been a success. They are demanding that Godoy be given a government post. When the march ended at the Olof Palme Conventions Center, Godoy said: We are on the right course. Victory is ensured for the mayors because we are saving democracy.

P. Chamorro Letter Refutes 'Slandorous' Charges

PA1201181491 Managua BARRICADA in Spanish
8 Jan 91 pp 1, 8

[Letter from Pedro Joaquin Chamorro B. addressed to Carlos Fernando Chamorro, his brother and director of BARRICADA; dated 7 January]

[Text] Dear Carlos Fernando: I have read with surprise a slanderous report published on page four of today's issue of BARRICADA, under the headline "Pedrin Ambassador to Taiwan."

I said "with surprise" because I am witness to your efforts to professionalize BARRICADA and reduce the level of resentment that still abounds in EL NUEVO DIARIO.

Several serious and slanderous assertions were made in that "report," written by an anonymous journalist, who based it on "political sources" also protected by anonymity.

1. It has been said that my mother sent me away from Nicaragua because of the many mistakes I have made which have embarrassed her more than once. That is completely false. I would like to know which mistakes are being referred to and how the BARRICADA sources know that these mistakes have embarrassed my mother. I have been away from the local political arena precisely to avoid partaking of this cheap gossiping and because all I want is to devote myself to my family and my work.

Apparently, the journalist who wrote this slanderous gossip after fabricating his "sources" is familiar with the deep feelings of a mother and tries to oppose me by saying I am a sort of "obstacle" in her way.

2. The journalist's "sources" go even further. He "found out" that I received a "lucrative" commission from the Taiwanese Government. Nothing could be further from the truth. I want to refute this report and clarify that the first contacts on resuming relations between Taiwan and Nicaragua were made before my mother's government was sworn in, as Foreign Minister Dreyfus himself reported.

Such "reports" should disappear from our newspapers in favor of professional journalism. Slander and insults should be left to the streets or discredited leaflets.

Thank you in advance for publishing this letter.

Yours truly,
Pedro J. Chamorro B.

New TV Channel To Sell Shares in Feb

PA1401204891 Managua EL NUEVO DIARIO in Spanish 4 Jan 91 pp 1, 8

[Text] During the month of April a new television station, Channel 4, will begin using the largest antenna in the country to transmit its signal to a major portion of our national territory.

After taking a look at the bases being built for the transmission tower, Dr. Sergio Ramirez Mercado, the representative for the new station's board of directors, said that shares in the station will be sold to anyone who wishes to buy them. Each share will cost \$100.

According to Dr. Ramirez, this station—which will have a more powerful signal than the two existing stations—will have up-to-date programs, and for this purpose contacts have already been made in the United States, Canada, France, Spain, Venezuela, Colombia, and other countries.

Dr. Ramirez added that Channel 4 will "have attractive, multiple programs and newscasts which will give the national audience different options."

Channel 4, like any other new enterprise interested in building up capital, is making efforts to this end in the aforementioned countries, Dr. Ramirez explained. He stressed, however, that the channel will be independent; it will depend solely on its viewers' likes and dislikes.

Regarding the shares, Ramirez said that these might be available to the public by February and expressed hope that "a large number of Nicaraguans will purchase them."

With a 20-kilowatt transmitter from one of the most renowned U.S. manufacturers, Channel 4 will have an antenna tower practically 100 meters tall: This will allow it to reach the entire Pacific coast and a large portion of our national territory. Dr. Ramirez added: Those places the signal cannot reach will be on the agenda of the board of directors.

Channel 4 will also produce its own programs, so as not to depend exclusively on so-called "canned" programs. Consequently, there are plans to acquire a movie theater where young people can enjoy themselves and also appear on television.

In addition to a wide variety of programs, Channel 4 also plans to be the first to introduce "live" coverage from the site of the events.

Panama

Linares Discusses Gulf Crisis Fallout on Canal

PA1401175091 Panama City EL SIGLO in Spanish 14 Jan 91 p 8

[Article by Aneldo Arosemena]

[Text] Panamanian Foreign Minister Julio Linares has indicated that if there is a war between the United States and Iraq, the Panama Canal could become an Iraqi military target. "The Panama Canal continues to be a target. We must be aware that the loss in human lives and the damage from a war would in some way also have repercussions in Panama," the foreign minister added.

Linares said that in view of Iraqi President Saddam Husayn's threat to attack Israel if there is a war, the Foreign Ministry has already provided tickets for the Panamanian ambassadors in Israel and Egypt and has instructed them to return to Panama and to evacuate all Panamanian personnel in those embassies at the first sign of danger.

The foreign minister explained that until the year 2000, the canal is under U.S. Administration, so he does not rule out that the Iraqi General Staff sees the canal as a military target. Linares added that there is a treaty with regard to the canal's permanent neutrality which was signed along with the Torrijos-Carter Treaty in 1977. The neutrality treaty permits the canal to remain open to all the world's nations, even if there is a war. "Other countries can adhere to that treaty's protocol and many states have already done so."

Nevertheless, Linares clarified that Iraq has not adhered to this permanent neutrality treaty. He added that a state that is not under any obligation to respect and recognize the Panama Canal's neutrality is not legally bound to respect the canal's neutrality as the treaty establishes.

There are precedents about plans to attack the Panama Canal. During World War II, the Japanese Navy staff had plans for a possible armed attack on the Panama Canal. In light of that situation, Panama City was placed under virtual military control and underground shelters were built for protection in case of an attack. A curfew was also established and there were orders for a "black-out" during which all the city's lights had to be turned off after a specific hour.

Although the government, through President Guillermo Endara, has condemned Iraq's invasion of Kuwait and any threat of an intercontinental war, the authorities have yet to take practical measures in case of an attack. Judicial Technical Police Director Leslie Loaiza has stated that a war between the United States and Iraq is a "national security" problem for Panama because due to the presence of the canal, the country's strategic location, and the alliance between Panama and the United States, our country could be the target of military attacks. It

must be recalled that in 1941, Panama, in support of the Allied powers, declared war on Germany and the other Axis powers.

It has been learned that the U.S. Southern Command stationed on the banks of the canal is taking precautionary measures in the face of possible terrorist actions against the canal if war breaks out. The war could begin tomorrow, 15 January, when the UN deadline for Iraq to abandon Kuwait expires.

Calderon Comments on Economic Impact of Gulf War

PA1501030491 Panama City Circuito RPC Television in Spanish 2300 GMT 14 Jan 91

[Text] Vice President Ricardo Arias Calderon has stated that the Panamanian Government is studying the measures it will take if a war breaks out in the Persian Gulf. He said that this war would have a negative economic impact in our country. Let us hear Vice President Arias Calderon:

[Begin Arias Calderon recording, in progress] would have a very negative impact on all our economic sectors. Take tourism as an example: An increase in the cost of airline tickets would reduce the flow of tourists to Panama. Another increase of petroleum by-products would heavily burden our people's budgets. The price of the supplies needed by our industries and our agriculture sectors could increase with a war. In general terms, what concerns me the most about a war in the Persian Gulf is the shocking economic impact it would have on all our people's lives. [end recording]

He was asked if Panama had taken added security measures due to our strategic position. Arias Calderon answered:

[Begin Arias Calderon recording] We have to increase our current police surveillance. I hope, however, that the citizens of the countries that would be involved in such a war and who live in Panama have as much interest as the rest of us in maintaining a climate of peace. That is why I trust we will have no acts of violence here. I take this opportunity to call everyone to work in this direction. [end recording]

U.S. Military Participating in Joint Exercise

PA1401194691 Panama City LA PRENSA in Spanish 14 Jan 91 p 30A

[Text] Responding to an invitation from the Panamanian Government, the U.S. Army is to participate in a joint program with Panamanian officials in the country's nine provinces from January to August 1991. The Fuertes Caminos 91-Panama [FC-91] program covers from engineering to medical assistance activities.

The exercise was approved by the U.S. Joints Chiefs of Staff and the Panamanian Government, in cooperation with the Public Works, Health, and Education Ministries. President Guillermo Endara noted: "This exercise

exemplifies joint Panama and U.S. operations in which we can work together to help the Panamanian people."

In Colon Province, the Public Works Ministry and Task Force 354, comprised of National Guard units, will improve approximately 18 km of road and build three bridges in Nombre de Dios and Palenque. At the same time, the Public Works, Health, and Education Ministries, together with Task Force 356—comprised of engineers of the U.S. Army South—and Panama's Air Service and National Police engineers, beginning in Chiriqui and working eastward to cover all of Panama, will repair schools, clinics, and roads and highways.

Medical personnel from Panama's Health Ministry and U.S. military forces will provide medical and dental care to Panamanian citizens. "The residents of the different areas are very enthusiastic about our presence in the provinces," Lieutenant Colonel Peter Topp, Task Force 536 commander, explained.

According to remarks by Brigadier General William Hartzog, commander of the Joint Task Forces-Panama, which will be in control of all U.S. units participating in the exercise, "the chief goals are to show the continued U.S. support for strengthening democracy and offering significant training to U.S. units."

U.S. Activities Termed 'Disguised Occupation'

PA1401190991 Panama City EL PERIODICO in Spanish 14 Jan 91 p 14

[Text] For the past few days, the military police of the U.S. Army South have been patrolling the streets of Panama City, while in the interior of the country it is reported that the number of U.S. troops is growing. We know however, of no new memorandum or any agreement to this effect.

The U.S. military policemen are wearing Air Force uniforms and driving vehicles that have signs "Panama Public Force."

These vehicles do not have official Panamanian license plates, but an inventory plate on the rear that reads USARFO, an acronym that translated into Spanish means U.S. Air Force—that is, from Howard Air Force Base. Many of these vehicles, which are painted white with a brown stripes, have painted on them serial numbers that begin with the initials TMP, then a Q, followed by numbers—for example 122—that can be greater or lesser figures.

These vehicles have recently been seen parked near street corners, traffic lights, and strategic places where Panamanians frequent so that people's conversations can be heard. Logically and for obvious reasons, the people interrupt their conversations.

EL PERIODICO has consulted with Panamanian legislative sources who indicated that they were unaware of any memorandum or any additional understanding signed between Panama and the United States in early

January 1990 [date as published] concerning joint patrols, and the previous such agreement expired in December 1990.

If there is no such agreement, diplomatic analysts commented, this constitutes a new disguised occupation, with the difference being that this time, one does not observe troops in combat gear or hummer vehicles circulating in the streets. Instead, Panama City streets are being patrolled quietly in view of the fact the U.S. military chiefs do not trust the police surveillance of the Public Forces at a time when an armed conflict between the Iraqi and U.S. Armies might break out within a few hours.

Security Office Foreign 'Contacts' Denied

PA1401161191 Panama City *EL SIGLO DOMINICAL* in Spanish 13 Jan 91 p 2

[Text] Panamanian Foreign Minister Julio Linares has announced that Panama "has not made any contacts" abroad to train members of the Council for Public Security and National Defense [Conasepuden], an office that works out of the Presidency.

In this way, Linares responded to reports that have appeared in various Panamanian and U.S. newspapers stating that an "espionage office" has operated within the Presidency since last February, and that its agents have been trained by the U.S. CIA, with the support of the governments of Venezuela and Taiwan.

Linares and the two Panamanian vice presidents, Ricardo Arias Calderon and Guillermo Ford—who are all members of the Conasepuden—met on 11 January with Legislative Assembly President Alonso Fernandez and a special commission that is investigating the controversial "intelligence agency."

The Panamanian foreign minister admitted that there is a need for a secret information office in the country, and he also feels that the functions of the agency should be investigated because in the end, it will be clear that this was "a tempest in a teapot."

Meanwhile, Vice President Arias Calderon stated that he agreed with some deputies on a formula suggested by Spanish Prime Minister Felipe Gonzalez which states that public security in a democracy must be based on 90 percent prevention and 10 percent repression.

Arias said that Gonzalez explained that to achieve this, the state must gather information before the crimes or disturbances take place.

Since late December, the announcement of the creation of the Conasepuden has resulted in a confrontation between President Guillermo Endara and the National Assembly, which has led to the resignation of the executive secretary of the office, Menalco Solis, due to a "lack of confidence" expressed by the deputies.

However, Endara confirmed Solis—who was a member of the cabinet during the previous military regime—in

his post. Solis' background is one of the main reasons for the criticism voiced by the deputies and other Panamanian groups.

Menalco Solis noted: "I have never belonged—informally or in an open manner—to any political party. As many times as I have been invited to participate in the government, however, I have considered it a call by the fatherland that one cannot ignore."

Linares Insists on Probe

PA1401005491 Panama City *LA PRENSA* in Spanish 13 Jan 91 p 30-A

[Report by Jose Quintero De Leon]

[Text] Foreign Minister Dr. Julio Linares has denied the possibility of reaching a political agreement to avoid the probe that the Legislative Assembly is trying to conduct on the Council for Public Security and National Defense [Conasepuden].

Linares insisted that the functions of the Conasepuden should be investigated in-depth so that the legislators will realize that they have made "a mountain out of a molehill."

According to Linares, all countries in the world need some information and security agencies. He added that in the democratic countries, 90 percent of the security and defense efforts should be directed toward prevention and the remaining 10 percent toward repression [la represion].

"If we do not devote 90 percent of the security and defense efforts toward prevention and 10 percent toward repression, we are going to end up having a dictatorship," stressed Linares, echoing the statements made by Spanish President Felipe Gonzalez to Panamanian Vice President Ricardo Arias Calderon in a meeting they had in October.

Linares made the aforementioned statements after a meeting with the legislative assembly president, also attended by the ministers of planning and economic policy and government and justice as well as some legislators and members of the legislative assembly ad hoc commission set up to investigate the Conasepuden.

Asked whether other governments have provided Panama with intelligence and security assistance, Linares said that his office has never made any contacts with countries from this or any other continent to obtain their assistance for Conasepuden.

Regarding the president's confirmation of the appointment of Dr. Menalco Solis as executive secretary of Conasepuden, the foreign minister said that no minister has the authority to question the appointments made by other government officials.

The legislative assembly ad hoc commission presided over by legislator Gloria Moreno de Lopez has summoned the

forementioned ministers on 15 January to clarify the real motives for the creation of the Conasepuden.

Security Accused of Spying on Newsmen

PA1401183091 Panama City EL PERIODICO
in Spanish 14 Jan 91 p 5

[From the "So I Have Been Told" column by Tono Diaz G.]

[Text] Why do the members of the espionage apparatus of Menalco Solis [head of the Council for Public Security and National Defense] insist on mixing with newsmen to "spy and tell on them"? The reporters say that the next time this happens, the reporters will photograph these people and print their pictures.

Editorial Criticizes Congressmen's Statements

PA1101144691 Panama City EL SIGLO in Spanish
9 Jan 91 p 4

[Editorial: "The Congressmen's Threatening Language"]

[Text] Upon returning to the United States, the delegation of U.S. congressmen who had just visited our country as observers and investigators, held a news conference that could be considered a report to the people of the United States that precedes its report to the U.S. Congress.

Being cautious with their words during the news conference, the delegation members most authoritatively indicated that Panama continues to be vulnerable to international drug trafficking. According to a press agency report, they also "expressed disappointment" with the Panamanian authorities' inability to halt the laundering of drug money.

These are tough words, and they could not have been tougher. In an effort to diminish the uproar, however, they also stated that the principal reason drug trafficking still persists in Panama is the "lack of human and technical resources to monitor the border with Colombia, and not a lack of interest on the part of the authorities."

It is always with detached statistics and formulas that the United States presents the serious problem of increasing numbers of addicts in its country, as well as the multi-million-dollar money laundering and drug trafficking industry. It tends to hold other countries responsible for these gigantic social monsters. In this particular case, Panama is blamed. Panama has been let off the hook, however, so blame is immediately passed on to Colombia.

In continuing to gauge the attitude of the people of the United States, the congressmen continue to add that "the stability that the administration of President Endara has been able to achieve within a short period of time might be undermined." This could later be used as

an excuse to garner support for any decision the administration may adopt with respect to Panama, our authorities, and the canal.

These words, quoted from an ACAN-EFE report, can only be interpreted as threatening, and they could not have been said more crudely. If our country does not accept the Mutual Legal Assistance Agreement, the ratification of the Vienna Convention, and the transit of the U.S. Coast Guard in Panamanian waters to fight drug trafficking, we would lose every opportunity to benefit from the aid offered after the 20 December 1989 events. In addition, our nation's system of constitutional law would also be endangered. According to the congressmen's vague words, if the Panamanian Government, which they installed, does not obey, they will make sure that it is removed.

Here is the problem: Either the government gives in and submits to everything, and as a reward fresh air is breathed into it to momentarily restore life and apparent health, or it resists and exposes itself to being toppled by the same people who installed it.

It would seem that other than these two, there are no other options. History and the Panamanian people await expectantly to see which of these two choices President Guillermo Endara Galimany will choose.

Mutual Legal Assistance Treaty Stance Defended

PA1301030091 Panama City LA PRENSA in Spanish
12 Jan 91 p 1-A

[From the "As of Today" editorial column]

[Text] With the shallowness that is characteristic of most U.S. congressmen, who amuse themselves during their free time with foreign policy problems, some of them during a recent visit to Panama expressed "disappointment" because the proposed Mutual Legal Assistance Treaty has not yet been signed. The disappointment is reciprocal. Panama has expressed, via authorized representatives, that there would be no problem whatsoever with the signing, ratifying, and implementing the agreement should the treaty limit itself to drug trafficking and the management and use of money coming from this crime. This is not the problem. It happens that the United States wants the treaty to also include any action that its legislation considers to be a crime regardless of whether it is a crime in Panamanian law and this is an unacceptable legal aberration. This would be tantamount to subjecting our country and its residents to whatever the U.S. Congress might want in the future. If the U.S. Congress is so interested in mutual legal assistance, it would do good by telling the chief executive of that country that the proposed treaty should solely limit itself to behaviors considered to be crimes in the two countries. Otherwise, it will take a long time for its signing, much longer for its ratification, and perhaps it will never be implemented because it violates the basic principles of constitutional order.

Banker Protests Charges of 'Money Laundering'*PA1301184191 Panama City Radio KW Continente
in Spanish 1221 GMT 11 Jan 91*

[Report by Jenny Lee Martinez]

[Text] Edgardo Lasso Valdes, president of the National Banking Association, has said he is concerned about the recent statements by the visiting U.S. congressmen, who contend that the Panamanian banking system is laundering money.

[Begin recording] [Lasso Valdes] I believe that Panama has shown for many years that it has been fighting money laundering and drug trafficking activities. We are concerned that they are constantly making such statements without presenting any evidence. Money laundering involves many things. The fact that we receive money transferred from other banks, which may be involved in drug trafficking.... [changes thought] We cannot tell unless it is proven that an illegal action was committed. We receive money, which is normal business for banks, without knowing many times where the money is coming from. We know that the money is received from a certain bank. We assume that the money received from that bank is legal, unless it has been proven otherwise. If there is proof that the money we received from a certain bank comes from drug trafficking activities, the evidence must be presented and then we must determine if the banker knew it was drug money, which is something else.

[Martinez] They said money laundering activities were still going on [words indistinct]?

[Lasso Valdes] That is why I say we are concerned. There are 110 banks here. If these 110 banks are involved in money laundering activities, it would mean that all bankers are corrupt. If they say that certain bankers are involved and they submit the evidence, we would be the first to take action against those involved. We cannot accept, however, that all bankers operating in Panama are criminals involved in money laundering activities. Money laundering is done with the money that comes from drug trafficking, which is an illegal business that is inflicting great damage on the youth. We cannot agree with that. We cannot accept, however, that all bankers are involved in this business unless evidence is submitted.

[Martinez] Will this hurt us, since it is damaging the image of the Panamanian banking center?

[Lasso Valdes] Of course, because they are implying that bankers here are all corrupt. This is the part that we do not like. We have insisted before the Americans themselves that they present the evidence so that we can help fight the criminals, but if they keep saying that we are the ones who are backing the criminals, they are not helping us at all.

Legislator Defends Government Position on MLAA*PA1401191491 Panama City Radio KW Continente
in Spanish 1200 GMT 13 Jan 91*

[Statement by Legislator Milton Hernandez, president of the National Assembly Budget Commission; place and date not given—recorded]

[Text] I believe that a mutual legal assistance agreement [MLAA], which includes clauses related to fighting drug trafficking, would benefit the Panamanian financial or banking center. It would send a clear message that this is a financial center looking to attract legitimately made money, which is produced through legitimate activities, and that the use of this center for money laundering will not be allowed.

If this agreement were to include clauses, however, that would seek to affect capital which has been legally deposited in our country, but which the United States would like to trace due to tax related matters, then I think that this agreement would be harmful for the Panamanian financial center. We conveyed this to U.S. Embassy officials, including the ambassador himself in a private conversation. We also told the visiting U.S. congressmen that we are in agreement with a treaty to fight drug trafficking, but that Panama does not plan to become a collection agency for the U.S. Treasury.

PDC Accused of Plotting To Oust Endara*PA1401230091 Panama City EL DIARIO
INDEPENDIENTE in Spanish 14 Jan 91 p 22*

[Report by Lionel Blaisdell]

[Text] Legislator Alberto Aleman Boyd, president of the opposition bloc, has told EL DIARIO INDEPENDIENTE that "the Christian Democratic Party [PDC] and its bloc in the National Legislative Assembly are planning to constitutionally oust President Guillermo Endara the minute he sets foot in the Assembly." According to the opposition spokesman, the charge recently introduced in the assembly by lawyer Gonzalo Moncada Luna gives the PDC the opportunity to impeach the president as this party holds the majority of seats.

Moncada Luna filed a suit against President Endara on 10 December 1990 for violating Article 286 of the Penal Code, since the president personally requested the intervention of U.S. troops to crush a military coup on 5 December. Moncada Luna and Partners' offices are located in front of Porras Square in Panama City, in the same building as the PDC's main offices. One of the law firm's partners, Alejandro Moncada Luna, was the "right hand man" of former government and justice minister Rodolfo "Popito" Chiari and the organizer of the so-called "shock troops" of the youth wing of Chiari's and Carlos Orillac's Liberal Party.

President Endara told a local television station that the Legislative Assembly has no constitutional grounds for

summoning him. However, Aleman Boyd replied: "He is wrong." "If they [the PDC] are your friends, why did you cede two municipalities in Panama's Western sector and why are you not dismissing Panama City Mayor Guillermo Cochez, who insulted you in the past?" the Torrijist politician asked the president.

The head of the Democratic Revolutionary Party bloc added that Presidency Minister Julio Harris was summoned by the ad hoc commission chaired by PDC Legislator Gloria Moreno de Lopez merely as a pretext to force the president "to fall into the hands of the PDC," Aleman told EL DIARIO INDEPENDIENTE. The ad hoc commission was set up at the will of a progovernment party block, namely, the PDC, to investigate a purported espionage office that is operating in the Presidential Palace and is headed by Menalco Solis and Guillermo Endara.

World Bank Rejects Government Economic Plan

PA1401181491 Panama City EL PERIODICO
in Spanish 11 Jan 91 p 2

[Text] The World Bank, also known as the International Bank for Reconstruction and Development (IBRD), last week rejected the economic plan presented by the Panamanian Government, it has been learned from banking sources in the city of Washington.

The international bank's criteria suggest that the Panamanian Government must make further adjustments to its economic plan before it can consider a renegotiation of its foreign debt with commercial banks and be able to authorize fresh money.

Before commercial banks will engage in the renegotiation of foreign debts of developing countries, they require that the World Bank approve the economic plan presented to it, a banking source explained.

The rejection of the economic plan presented by the Panamanian Government is based on the fact that the structural adjustments recommended both by the International Monetary Fund and the World Bank have not been thoroughly fulfilled.

Judging by the terms of the World Bank's ranking executives, it is understood that, among other recommendations, the Panamanian Government must further

reduce the state payroll, look carefully at the possibility of privatizing other state enterprises, and promote state participation in state enterprises.

Last week, after learning of the World Bank's recommendation, Planning and Economic Policy Minister Guillermo Ford sent a note to President Guillermo Endara asking for a review of some points included in the economic plan in order to adjust them to the demands of the powerful World Bank.

Panamanian sources who question and reject the programs known as SAL [structural adjustment loan] 1 and SAL 2 say that these programs are harmful to the Panamanian state's existence because they undermine the national economy and subject it to the criteria of international financing organizations.

Another Officer Granted Safe-Conduct

PA1101170191 Panama City EL PANAMA AMERICA
in Spanish 11 Jan 91 p 1

[Article by Gionela Jordan V.]

[Text] The Foreign Ministry on 10 January issued a safe-conduct to another military officer, who was recently granted asylum at the Venezuelan Embassy in Panama City. The officer had participated in the 5 December coup attempt.

According to a Foreign Ministry communique, the Venezuelan Embassy had granted "provisional asylum" to former Public Force Sub-Lieutenant Felix Vega Atencio, who was involved in the thwarted military coup led by Colonel Eduardo Herrera Hassan (retired) in December.

Since the accusations against Vega Atencio are mostly political, the Foreign Ministry, "grants him safe-conduct to leave national territory, guaranteeing that the national authorities will respect his physical well-being and freedom."

Thus far, seven military officers who supported Colonel Herrera in his 5 December actions have been given asylum in different diplomatic missions in Panama—four at the Venezuelan Embassy and three at the Guatemalan Embassy. The government has granted all of them safe-conduct because it considers their crimes to have been political.

Argentina

Political Sectors Call For Return of Gulf Forces

PY1401161091

[Editorial Report] The Argentine press agencies Buenos Aires NOTICIAS ARGENTINAS in Spanish and Buenos Aires TELAM in Spanish on 13 January carry a total of three reports on calls by political sectors for the return of Argentine forces currently deployed in the Persian Gulf.

In a 150-word item, Buenos Aires NOTICIAS ARGENTINAS in Spanish at 1020 GMT on 13 January reports that the Social Affirmation Movement, the Liberation Broad Front, and the Workers Party (Partido Obrero) have called on their members to participate in a 15 January march "against U.S. aggression in the Persian Gulf and for the return of Argentine troops."

The item adds that United Left National Deputy Luis Zamora has stated: "The United States is acting with unlimited cynicism. It claims to have the right to invade countries and change governments, as in Panama." The report adds that Zamora also stated: "As in 1982, when they united forces to usurp the Malvinas Islands, the United States and Great Britain are together again today to continue plundering the Middle East's petroleum wealth and to repress the Arab people, who have always fought heroically against colonialist aggression."

Buenos Aires TELAM in Spanish at 1610 GMT on 13 January carries a 100-word item reporting that "Social Democratic Party leader Hector Polino stated today that the Social Democrats struggle for peace and are against the country's participation in the conflict." The item adds that Polino read a communique stating that "for the Social Democrats, Argentine blood is more precious than petroleum," and that "this hydrocarbon has been a continuous source of international conflicts and was the main cause of some coups in our country."

In a 200-word item, Buenos Aires TELAM in Spanish at 1554 GMT on 13 January reports that "about 100 politicians, union leaders, and intellectuals have asked the government for the immediate return of Argentine troops deployed in the Persian Gulf, and have expressed solidarity with Iraq and the brotherly Arab peoples."

The request was signed by Justicialist Party leaders Daniel Adrogué and Alejandro Alvarez, Christian Democratic Party leader Nicolas Preziosa, Public Works Plan leader Otto Vargas, National Integration Party leader Jorge Spilimbergo, Intransigent Party leader Rene Irurzun, MPL [expansion unknown] leader Alberto Guerberoff, Confederation of Education Workers of the Argentine Republic leader Mary Sanchez, Trade Union of Mechanics and Related Automotive Transportation Workers leader Miguel Delfini, and National Confederation of University Teachers leaders Juan Flo and Alberto Velazquez.

The item adds that this group has asked for "the immediate return of troops to our fatherland and that the United Nations order fulfillment of the resolution to not blockade the supply of medicine and food bound for Iraq and to provide humane assistance to the Iraqi people, and to demand that the government fulfill commercial agreements signed with Iraq and promote a popular movement of solidarity with Iraq and the friendly Arab nations."

UCR Lawmakers Request Return

PY1501021091 Buenos Aires TELAM in Spanish
2320 GMT 14 Jan 91

[Text] Buenos Aires, 14 Jan (TELAM)—Blocs of Radical Civic Union [UCR] deputies and senators today decided to request that President Carlos Menem order the immediate return of the troops sent to the Persian Gulf and to seek an audience with the president to explain this decision.

The decision was made tonight at a joint meeting of the UCR blocs which ended after 2100 at the Congress building. The meeting was also attended by former President Raul Alfonsín, who is the UCR chairman.

Cabinet Ministers Submit Resignations to Menem

PY1401224091 Buenos Aires NOTICIAS
ARGENTINAS in Spanish 2230 GMT 14 Jan 91

[Text] Buenos Aires, 14 Jan (NA)—Presidential Spokesman Humberto Toledo has reported that all the members of the Argentine cabinet have tendered their resignations to President Carlos Menem, who is now considering them at Government House. Toledo said the ministers tendered their resignations "spontaneously."

Foreign Debt Adviser Alsogaray Resigns

PY1401143091 Buenos Aires NOTICIAS
ARGENTINAS in Spanish 1310 GMT 14 Jan 91

[Text] Buenos Aires, 14 Jan (NA)—Presidential spokesman Humberto Toledo has confirmed that Alvaro Alsogaray, the presidential adviser for foreign debt matters, has submitted his resignation to President Carlos Menem.

Toledo stated that the resignation was handed in personally by Alsogaray on 9 January, and that the name of Alsogaray's replacement is not known at this time.

The spokesman categorically denied that there is any link between Alsogaray's resignation and the charges of attempted extortion in connection with a U.S. enterprise that were made by Ambassador Terence Todman.

Granillo Appointed Justice Minister

PY1401213291 Buenos Aires TELAM in Spanish
2121 GMT 14 Jan 91

[Text] Buenos Aires, 14 Jan (TELAM)—President Menem announced this afternoon that Raul Granillo

Ocampo has been appointed justice minister and that Cesar Arias will replace Granillo as legal and technical secretary of the Presidency.

Menem made these announcements at Government House during a presentation ceremony for the Foundation for the Modernization of the State [Fundacion Para la Modernizacion del Estado].

Aide Emir Yoma Resigns

PY1501000291 Buenos Aires NOTICIAS
ARGENTINAS in Spanish 2225 GMT 14 Jan 91

[Text] Buenos Aires, 14 Jan (NA)—Presidential Spokesman Humberto Toledo reported this evening that President Carlos Menem has accepted the resignation of his aide, Emir Yoma. Toledo made this announcement in the press room at Government House.

Ministers Confirmed in Posts

PY1501004091 Buenos Aires TELAM in Spanish
0018 GMT 15 Jan 91

[Text] Buenos Aires, 14 Jan (TELAM)—Presidential Spokesman Humberto Toledo has reported that President Carlos Menem decided tonight to confirm the following ministers in their posts: Economy Minister Antonio Erman Gonzalez and his entire economic team, Education Minister Antonio Salonia, Foreign Minister Domingo Cavallo, and Interior Minister Julio Mera Figueroa.

Toledo, who made the announcement at 2210 tonight in the press room of Government House, said that the president had just called him from the Olivos residence to give him the news.

Di Tella Named Defense Minister

PY1501140291 Buenos Aires NOTICIAS
ARGENTINAS in Spanish 1332 GMT 15 Jan 91

[Text] Buenos Aires, 15 Jan (NA)—Foreign Minister Domingo Cavallo has confirmed that President Carlos Menem has named Guido Di Tella, Argentine ambassador to Washington, the new defense minister.

Cavallo imparted this information when he left the Olivos residence after meeting with the chief of state, who "has already decided that a career diplomat should occupy the embassy in the United States" in replacement of Di Tella.

Government Creates Commission To Fight Corruption

PY1101213091 Buenos Aires TELAM in Spanish
1805 GMT 11 Jan 91

[Text] Buenos Aires, 11 Jan (TELAM)—The national government announced today that general elections will be held on 8 September 1991 in order to reconcile provincial legislation on this issue. Therefore, the 6

October elections announced by Interior Minister Julio Mera Figueroa a few days ago have been moved forward by almost one month.

During a cabinet meeting at the Olivos residence today the government also decided to create a commission to draw up a plan to fight corruption more effectively; it will be headed by Vice President Eduardo Duhalde.

Presidential spokesman Humberto Toledo read to the news media a communique prepared by President Carlos Menem and his ministers that said the U.S. State Department note on the "Swift case" is a repetition of the letter submitted by Ambassador Terence Todman, which uses identical terms.

Toledo added that the cabinet also discussed other issues such as the struggle against corruption, the situation of the various provinces in agreeing on an election date, the situation of oil contracts, and the financial markets.

Foreign Minister Views Relations With U.S.

PY1501010091 Buenos Aires CLARIN in Spanish
13 Jan 91 pp 2, 3

["Exclusive" interview with Argentine Foreign Minister Domingo Cavallo by reporters Daniel Santoro and Maria Luisa McKay on 12 January; place not given—comments in parentheses are CLARIN editorial observations]

[Text] [CLARIN] When former President Raul Alfonsin confronted U.S. Ambassador Frank Ortiz over the latter's criticism of the economic plan, Alfonsin ended up asking that the diplomat be replaced. Will the Peronist government do the same with U.S. Ambassador Todman in the wake of this incident?

[Cavallo] Not at all. President Menem has said that he still considers Ambassador Todman a friend and that his appreciation for him has not changed. Todman has helped us, and I am sure that he will continue to help Argentina a lot. No action will be taken against him because he said that his letter does not affect the honor of the Argentine Government.

[CLARIN] On the morning of 11 January, you told reporters that there are "people in the government" who could use this incident to harm Argentine-U.S. relations. Who were you referring to specifically?

[Cavallo] There are people inside and outside the government who would prefer a different foreign policy, a different team in charge of implementing this policy, and changes in the cabinet, but no one should believe that someone masterminded what happened last week.

[CLARIN] Should we understand that a sector within the government wants to replace the foreign minister?

[Cavallo] Well, it could be the foreign minister or another official. As is the case with all governments of the world, there are different viewpoints and personal ambitions.

[CLARIN] You received five verbal warnings from Todman, and Bernard Aronson, assistant secretary for inter-American affairs, raised the issue of corruption in general terms to Argentine Ambassador to the United States Guido di Tella. I view of this situation, should not the issue have been high on the bilateral agenda?

[Cavallo] For a long time now we have worked on the issue of corruption. A modification of the rules of the economic game is already under way with the goal of restricting the discretionary power in the hands of officials. For example, as of 1 January the tax on the importation of capital goods produced outside the country was reduced to zero.

[CLARIN] You received a copy of the letter from Todman on 10 December. Was it not a mistake that you did not attach enough political significance to it, and that you did not personally seek to solve the issue that was raised in the letter?

[Cavallo] On the day I received the letter I investigated the issue and talked with the president. The letter was received on 10 December and the president signed the allegedly delayed decree on 18 December. The issue, which involved a Swift investment that deserved the requested benefit—which should be granted through a decree—was resolved. The charge was going to be investigated by the Legal and Technical Secretariat.

[CLARIN] You said President Menem took action when he was not in good spirits. Was he not, however, poorly advised in your absence when he criticized the State Department?

[Cavallo] No, I believe that two completely different things are being confused. On the one hand, there was the letter by Ambassador Todman, which is a confidential letter like the letters sent by any other ambassador. On the other, there is the reference that media reports made to Emir Yoma, one of the president's close friends and associates.

The same thing that happened to the president has happened to me. I meant to say that there are people inside and outside the government who do not want the good relations that Argentina and the United States have established.

[CLARIN] Argentine society is tired of listening to vague accusations. Why do you not give the names of the people who adopted that attitude?

[Cavallo] I cannot identify anyone within the government. Obviously, there are people who would prefer our policy to be more distant from the United States.

The important thing, however, is that the president has struggled against corruption since his first day in office

instead of denying it, as was the case with former President Alfonsín when the matter was raised by a priest in a church (he was referring to a situation in which the former president rose to the pulpit to rebut Monsignor Medina).

[CLARIN] Yet no U.S. warning on corruption was publicly made during the Radical administration...

[Cavallo] I do not recall all the letters sent by the United States at that time. I do not rule out the possibility that in the past some ambassador could have told the government that a company had received some sort of money request.

[CLARIN] Opposition sectors have criticized the government because they interpreted the incident as a foreign suggestion on how to wash our "dirty laundry."

[Cavallo] (Annoyed) No one abroad will tell us how to wash our dirty laundry, and the United States did not have that intention either.

[CLARIN] During a news conference on 8 January, Menem expressed his "annoyance" and then ordered that Todman give an explanation. How is it possible that three days later the government decided that the explanations by the ambassador were satisfactory?

[Cavallo] The Foreign Ministry asked Todman to explain the contradiction between his letter and the information that was later supplied by Swift. He was asked to provide further information, but this involved no recrimination against Todman, the State Department, or the U.S. Government.

[CLARIN] As the diplomatic game, however, is played not with states of mind but with political decisions, in your two-hour talk with Todman on 11 January did he tell you that his government also believes that the incident has been overcome?

[Cavallo] First, he never considered it to be an incident; neither did we. We consider it to be an unfortunate series of public remarks, leaks, and reports that both of us want to reverse because we do not want our excellent bilateral relations to be affected.

[CLARIN] Menem's remarks in which he expressed his "discontent" regarding Todman's letter were not improvised when he made them during his 8 January news conference....

[Cavallo] The news conference had been called to talk about the Chaya Fair in La Rioja. Menem could have avoided the topic but he did not do so because this government has an open attitude with the media. The president was anxious to show proof, such as the Swift communique, to erase the accusation against Emir Yoma....

[CLARIN] During the news conference Media Secretary Fernando Niembro permitted questions on the attempted bribe....

[Cavallo] (Visibly tense) With your questions you are expecting me to acknowledge that our government—the president and all his ministers—makes errors now and then. Well, I fully do so. We would not be human if we did not make errors. I invite you to objectively evaluate all the factors pertaining to the policy of the Menem government and its management, but we should not evaluate the assertions of the president or his ministers out of context.

I feel that I am authorized to state quite clearly that Menem has sought, seeks, and will continue to seek excellent relations with the United States because he considers it to be a key country for Argentina's integration with the world, and because he basically believes that the profound economic reforms that his administration is implementing should be permanent.

All this week's unfortunate events are not going to affect relations with the United States.

[CLARIN] That is perfectly clear, but the Bush administration pressured the Mexican Government to arrest Joaquin Hernandez Galicia, La Quina, the head of the oil workers union, as an example of their fight against corruption. Could it be that the United States is sending a signal to Argentina?

[Cavallo] (Angry) You have a method. On two occasions during this interview you talked about five warnings made by Todman. I never told you that they existed. Nor did a special meeting take place between Aronson and Di Tella to talk about corruption. Todman's letter was aimed at pointing out the difficulties that U.S. investment is facing, not denouncing corruption. The topic of corruption—and it is true that it has been touched on in many talks between the Argentine and U.S. Governments—is a concern that we have expressed publicly. In this case we cannot talk of U.S. pressure.

We also cannot assume that President Salinas jailed La Quina because of U.S. pressure; he was jailed because there is a desire to eradicate corruption in Mexico. It is an unfair interpretation, and it is also unfair to assume that Menem is doing something because of U.S. pressure....

[CLARIN] According to observers, this diplomatic incident will not be cleared up with declarations of goodwill, but with concrete actions....

[Cavallo] First, it will blow over if the fire is not fueled with words that can be interpreted in various ways and which cause even more confusion. It needs to be done through improving the economic rules and establishing clarity in investment operations. Argentina needs to do this, not because of U.S. pressure but to improve its own welfare.

[CLARIN] To resolve this situation, will it be necessary for Menem to speak with Bush or you to speak with Secretary of State James Baker?

[Cavallo] We believe that it has already been closed, because the wheat has been separated from the chaff.

Todman's letter was one thing—it was correct and no one is objecting to it—and it was answered. The dissemination of names without foundation and the use of this incident to blacken bilateral relations is another thing. The investigation that is being carried out by Treasury Prosecutor Jorge Maiorano will resolve the accusation. On 14 January I will give you all the information that the Foreign Ministry has.

From the internal viewpoint of the incident, do you agree with Interior Minister Julio Mera Figueroa that there is a need to put an end to the "mini-clique" ["minicarpa"] in the government?

[Cavallo] (Smiling) I am not aware that the minister used that term. We should not speak about mini-cliques, camps, or anything like it within the government.

[CLARIN] You have no knowledge of influence peddling?

[Cavallo] The government is concerned about doing away with influence peddling. The best way to do it is continue to implement the economic and state reform.

[CLARIN] Are you going to make several trips to Washington, or are you one of those who believe that the Gulf crisis will cover up the topic and prevent the loss of the emphatic support that Bush gave Menem during his 5 December visit?

[Cavallo] The Gulf crisis will not cover it up, nor will it be necessary for me or the president to make any special trips. What is needed for the final success of Menem's policies is for us to be efficient in the fight against corruption, because it is hurting the morale of the Argentine people.

[CLARIN] And the personal relationship between Menem and Todman must be reestablished....

[Cavallo] I do not believe that the relationship has been affected. I insist: What is important is that we occupy ourselves with important matters. There is a lot of professionalism within the State Department. Real events, the important decisions, are the important factors, not the bickering and gossip.

[CLARIN] Are the two of them going to play tennis in March after Todman's "political" vacation in Washington concludes?

[Cavallo] It may be before March.

Minister Gonzales Announces Economic Measures

PY1501022091 Buenos Aires TELAM in Spanish
2028 GMT 14 Jan 91

[Text] Buenos Aires, 14 Jan (TELAM)—Economy Minister Antonio Erman Gonzalez today announced the abolishment of the Public Works and Services Ministry and revealed that President Carlos Menem has decided to create a Justice Ministry.

Gonzalez said during a news conference that the nation has saved enough international reserves to prevent the economy from getting out of control again. Gonzalez said the Central Bank will no longer finance the imbalances of provincial banks.

Gonzalez was accompanied by his team of advisers during the news conference. The minister said that the latter action means that banks in the red will be prevented from operating in the clearinghouse. Gonzalez explained that the measure is aimed at eliminating elements of monetary expansion and their strong effect on monetary and foreign exchange stability.

The minister said that the National Savings and Insurance Fund (CNAS) and the National Mortgage Bank (BHN) will be excluded from participating in interbank operations and that the government will change the social security system's payment and collection dates in order to reduce Central Bank financing of the system's imbalances. The minister added that these imbalances will end after 1 May.

On the same issue, Gonzalez said that the government will study the effects of factors such as the evasion of contributions and the viability of social security funds because they are currently producing large deficits.

The economy minister said the government will count people participating in autonomous funds.

On the monetary front, Gonzalez announced that official banks will be prohibited from operating with foreign bonds in rental operations [as received]. The minister also announced the deregulation of foreign trade and the elimination of a requirement that forced exporters to sell their hard currency to the government.

Gonzalez announced that the government wants to limit the ability of the Bramatology Institute [not further identified] to establish excessive requirements to discourage the importation of foodstuffs.

Gonzalez confirmed that the 1991 draft fiscal budget was finished today and that the ministry will submit it to the executive branch during the week for its remittal to Congress.

The minister said the government has been able, through the present economic structure, to reduce expenditures by an additional 3.3 percent of the GDP. He predicted that the nonfinancial public sector will have a primary cash balance surplus [superavit fiscal primario de caja] in 1991 of at least 4.1 percent of the GDP.

Gonzalez said the DGI [General Directorate of Taxation] will implement the previous control system on tax collection in the banking system and will ask for the participation of security forces in the control, prevention, and detection of tax evasion.

Gonzalez said the decree has already been signed by the executive branch. He added that all the state data

systems, such as the property and automotive registries, will become part of the tax collection organizations.

The minister announced a plan to promote investments by repatriating Argentine capital and attracting foreign capital, as well as a change to allow the establishment of a sales slip numbering system by the DGI.

The Economy Ministry also ordered an increase in the tax on bank debits and transfers of foreign currency, from one to two percent per thousand.

A decision was also made to propose, through a bill, the creation of a fixed annual patent for exchange houses, consistent with their minimum capital, which will be deducted from the tax on earnings.

It was also decided to program the financial debt of various state companies to avoid payment overlaps and to provide an adequate lapse in deadlines for their orderly payment.

Gonzalez also announced that import tariffs fixed by special regulations can be changed by government decree and that this treatment will be included in the 1991 budget law.

He also said that the National Treasury's daily five-percent collection of taxes for the Central Bank and the transfer of 10 percent of the funds of Fonavi [National Housing Fund] to the National Treasury will be made automatic in order to pay some external and internal commitments related to housing construction.

He also announced restrictions on monthly advances of nonbudget treasury funds, up to three percent of the noncumulative monthly income.

The news conference was attended by Under Secretaries Carlos Carballo of economy; Saul Bouer of finance; Hector Domeniconi of technical and administrative coordination; Luis Prol of public enterprises; Jorge Pereyra de Olazabal of industry and commerce; Julio Cesar Aguilar, budget director and future under secretary of public financing; Central Bank President Javier Gonzalez Fraga; and Diego Estevez, chief of cabinet advisers.

Economy Ministry Announces Change in Utility Rates

PY1201135091 Buenos Aires BUENOS AIRES
HERALD in English 11 Jan 91 p 3

[Excerpt] (NA-DYN)—The Economy Ministry announced yesterday electricity and gas tariff increases for consumers and reductions in industry's energy costs and water rates.

Domestic consumers will see rises of between 62 and 71 percent in gas prices and a hike of up to 49 percent in SEGBA's [Greater Buenos Aires Electrical Services] electricity charges.

Large commercial users will benefit from reductions of four to 14 percent in electricity costs, the amount being

determined on a case-by-case basis. Gas rates for industry will change very little.

Tariffs for waterworks, both for households and business, will be reduced by between five and seven percent.

The hikes for domestic electricity will apply largely to households using less than 250 kilowatts of electricity, while larger consumers can expect smaller increases.

Customers using 100 kilowatts will see prices rise by 49 percent, but those with consumption of 700 kw will experience increases of 3.9 percent only.

The state gas company will charge 71.2 percent more to households using up to 90 cubic metres, and 62.3 percent more for those using 200 cubic metres. [passage omitted]

Scientists To Conduct Enriched Uranium Experiments

PY1301024491 Buenos Aires NOTICIAS
ARGENTINAS in Spanish 1938 GMT 12 Jan 91

[Text] Rio de Janeiro, 12 Jan (AFP-NA)—In the first half of 1991, Argentina and Brazil will conduct joint experiments for the sale of enriched uranium, according to the weekly RELATORIO RESERVADO published on 12 January in Rio de Janeiro. The report, which was neither denied nor officially confirmed by any Brazilian agency, was attributed by RELATORIO RESERVADO to "an adviser to President Collor de Mello," whose identity was not revealed.

Argentina will manufacture zirconium alloy tubes that will serve as containers for enriched uranium pellets, which are the fuel in Brazilian nuclear plants, said the source mentioned in the weekly RELATORIO RESERVADO. In 1990, Argentine and Brazilian experts worked together for six months to prepare the project, and in 1991, the quality of the materials to be used in the project will be tested, the source added.

The Brazilian-Argentine nuclear cooperation agreement signed in 1990 is making possible implementation of this project, which, if successful, will allow Brazil to pay in 10 years the debt it contracted to execute its nuclear program under the agreement signed with the FRG in June 1975 (more than \$4 billion), the source indicated.

Brazil and Argentina signed the first bilateral nuclear cooperation agreement in May 1980, after the two countries had worked out an agreement reconciling their interests in hydroelectric use of the Parana River. On 28 November 1986, a committee was created to coordinate a program for the integration of nuclear activities between the two countries so that Brazilian and Argentine nuclear sector companies could jointly supply third countries.

The nuclear programs developed by Brazil and Argentina differ in the fuel that each one uses. While Brazil uses enriched uranium for its nuclear plant fuel, Argentina uses natural uranium.

Bolivia

Judge Hearing CNPZ Case Receives Threats

PY1201110491 La Paz PRESENCIA in Spanish
3 Jan 91 p 6

[Excerpt] Ninth Criminal Court Judge Antonio Santamaria has received several threats over the telephone urging him to halt the investigation into the CNPZ [Nestor Paz Zamora Commission] case. Judge Santamaria is to order investigations for the trial of the six people involved in the CNPZ case, who are currently being held at a building in San Pedro and the Obrajes Womens Guidance Center.

The judge said: "At the end of the year, I received several anonymous calls at my home warning me that I had to stop investigating the CNPZ case."

He pointed out, however, that he will order the investigation to begin in the next few days despite the threats.

Judge Santamaria has requested protection from the Interior Ministry and reported the threats to Criminal District Attorney Carlos Rossas. [passage omitted]

Interior Minister Queries Intent of New Coalition

PY1301021091 La Paz Radio Fides Network
in Spanish 1100 GMT 12 Jan 91

[Excerpt] The creation of an opposition front made up of the Bolivian Workers Federation [COB], the MNR [Nationalist Revolutionary Movement], the Free Bolivia Movement [MBL], and Conscience of the Fatherland [Condepa] has upset the national unity government. Interior Minister Guillermo Capobianco said the opposition front is apparently determined to implement the political theory of subversion that was approved by mine workers. These groups would move out of the democratic opposition to create a subversive opposition and this would be a serious matter for the state of law in the country, the minister said.

[Begin Capobianco recording] We are concerned because of the character and content of what purports to look like a political opposition front in our country. This front is made up of parties that call themselves democratic. It is headed by the MNR, the MBL, the United Left [IU], and Condepa. Its most outstanding characteristic is the linkage of political and labor aspects.

We already know that the COB has proposed the subversive path, as was confirmed by their leaders on 5 January. The state security apparatus is aware of this and is ready to defend constitutional and democratic order. We want to ask the MNR, MBL, IU, and Condepa: What is the meaning of this front? Is it possible—as was said by Deputy Sandoval [not further identified]—that the democratic opposition will embrace the path of subversion? [end recording] [passage omitted]

Brazil**Collor Addresses Nation on Persian Gulf Events**

*PY1401230091 Brasilia Domestic Service
in Portuguese 2053 GMT 14 Jan 91*

[Address to the nation by Brazilian President Fernando Collor de Mello; place not given—live or recorded]

[Text] Good evening. I am speaking to you to deliver a message of tranquillity to the nation in this moment of international concern in view of the events in the Persian Gulf. The term established by the UN Security Council for the withdrawal of Iraqi forces from Kuwait expires tomorrow. I want to assure everyone that the Brazilian Government has been following this crisis since the beginning, hoping that the impact of this crisis will affect the lives of our people as little as possible.

We still have, and always have had, a hope for peace. Democracy has experienced great progress in the world in the past few years. We expressed our congratulations for peaceful solutions to East-West problems, the end of the cold war, the reestablishment of democracy in East Europe, and the destruction of the Berlin Wall. We deeply regret the events in the Persian Gulf because they represent a sour and unexpected regression in the current trend toward respect for the legal order, greater understanding among peoples, and the atmosphere of peace and prosperity in the whole world.

It is important, my dear friends, that you know that this crisis in the Middle East may create great difficulties for countries like Brazil, which is struggling for its economic recovery. Despite our efforts to reduce our international dependence on oil supplies, we are still importing nearly 50 percent of our consumer needs. Our suppliers are located precisely in that region. If all negotiations for a peaceful solution fail and the worst takes place, the price of oil will increase further, worsening the trend of economic recession in the whole world. This international situation will harm our exports, reduce our capability to import foreign technology and machinery, which are essential for our development, and delay foreign investments in our country.

My dear friends, it is a serious moment. Our government team has worked ceaselessly to analyze our resources and to search for alternatives to minimize the difficulties that will arise in our everyday life. We will firmly and confidently continue with our government program, and I expect the effective participation of each Brazilian citizen. Brazil needs everyone to be aware of the responsibility required at this time. Each Brazilian should, and must, help his country by saving fuel and electricity. The sacrifice of fuel rationing can be avoided as long as each individual rationalizes his use of gasoline and diesel oil and, especially for housewives, cooking gas.

Now more than ever is a time of unity, cohesion, and solidarity. It is time to carry out a green and yellow

[reference to the colors of the Brazilian flag] joint effort for the stabilization of the economy and the consolidation of democracy.

I want to ask you—not only those whom I thank once again for their trust in government actions, but all of the political class and all those who somehow have not shown understanding for the moralizing measures the government is adopting—I ask you all, workers, businessmen, and politicians, independent of any ideology or creed, not to abandon the idea of acting as brothers in facing difficulties and seeking appropriate solutions. This spirit of unity will guarantee the success of the structural reforms we need to implement and our development, with a better distribution of our wealth without inflation and—above all else—with social justice.

All efforts for peace serve God. There may be different and diverse religions, but God, my people, is only one. Let us unite around him, praying that he inspire those who make decisions so that a peaceful solution may be found. I am sure that I am expressing the feelings of the Brazilian family—which is currently united by this affliction on the future of humanity—when I renew my appeal for a victory of good sense, conciliation, and peace. Thank you.

Itamaraty on Gulf, 'Use of Force' in Lithuania

*PY1401235491 Brasilia Domestic Service
in Portuguese 2100 GMT 14 Jan 91*

[Report by Gustavo Mariani from the Brazilian Foreign Ministry in Brasilia]

[Text] Itamaraty has summoned the ambassadors of Israel, Iraq, and Kuwait and appealed to them for peace in the Persian Gulf. Itamaraty will make the same appeal to ambassadors from other Arab countries, the Arab League, and the PLO. Brazil is seeking to prevent the threat of terrorism from materializing, because terrorism is out of keeping with Brazilian tradition, as well as to maintain a harmonious coexistence among members of the diplomatic corps here in Brasilia.

Itamaraty considers the threat of war in the Persian Gulf extremely serious, but notes that Brazil harbors the hope that good sense will prevail at the last minute of the deadline given by the United Nations for Iraq to withdraw from Kuwait.

Itamaraty today denied that 18 Brazilians had left Saudi Arabia on an Argentine plane. It confirmed that, if invited, Brazil would participate in a UN peacekeeping force. Itamaraty also reported that less than 200 of the 800 Brazilians in Jordan want to return to Brazil.

The Foreign Ministry also reported that neither Israel nor Saudi Arabia requested that Brazilians leave those two countries for Brazil.

Itamaraty also released an official communique today regretting the use of force in Lithuania, where Soviet

troops violently responded to Lithuania's insistence on reaffirming their decision to separate from the Soviet Union and to disobey the Constitution.

Chile

Foreign Banks Buy Millions in Government Bonds

PY1101192391 Santiago Radio Chilena Network
in Spanish 1600 GMT 11 Jan 91

[Text] Finance Minister Alejandro Foxley has reported that 20 banks of various countries have purchased Chilean Government bonds worth a total of \$320 million. The minister stressed the importance of this operation, considering the current international situation and the possibility of war.

[Begin Foxley recording] Despite the fact that some industrial countries have recently had some financial problems, their banks have decided to join Chile for the short and long terms by purchasing our bonds on an absolutely voluntary basis and on terms that are attractive and advantageous for Chile, for its government, and for its economy. [end recording]

Foxley said that this decision should make Chileans very happy because the banks are making a gesture of confidence in our country.

The minister said that this shows that Chile is successfully consolidating its democracy, a process that the rest of the world appreciates to an extent that Chileans perhaps cannot imagine. He added that it also reflects confidence in the work by President Aylwin and his successful handling of political problems.

[Begin Foxley recording] It should also be noted that this decision reflects the reassurance and the confidence in this country's economic policy. [end recording]

He added that there is also confidence in the medium and long term. Foxley said that this gesture of confidence by the international financial community will be acknowledged by the Chilean public. He said that the Chilean people should understand that the economy will be managed calmly and safely and will open long-term prospects that will allow the economy to grow and to grant prosperity to all Chileans.

Foxley said that this purchase of government bonds marks the end of a stage which he termed successful for the Chilean Government and for the foreign debt negotiating team, in which Eduardo Aninat and members of the Central Bank technical team participated.

Woman Involved in La Cutufa Case Ordered Arrested

PY1201142091 Santiago Radio Nacional de Chile
Network in Spanish 1000 GMT 12 Jan 91

[Text] Major (Cesar Ocaranza), first military prosecutor of Santiago, has issued a warrant for the arrest of Isabel

Margarita Pizarro, widow of businessman Aurelio Sichel, who was murdered as he entered his house in [placename indistinct].

The order will be carried out by the investigative police, who will arrest Pizarro on charges of allegedly offending the Armed Forces.

Two judicial branch medical experts will administer a psychiatric exam. It has been learned that the order was issued because of Margarita Pizarro's rebellious attitude; on two previous occasions she refused to present herself for the exam.

The prosecutor designated psychiatrists (Mario Gonderov) and (Ignacio Morland) to conduct the exam. They will submit a report on the conduct and character of Pizarro to ascertain whether she is fit to stand trial on a charge filed by military attorney Lieutenant Colonel Eduardo Benavides. The charge is based on an article published in a weekly in which Pizarro mentioned three retired generals in connection with matters in which she is involved, matters having to do with the murder of her husband and the La Cutufa affair.

Justice Ministry Names Gendarmerie Director

PY1201150091 Santiago Radio Nacional de Chile
Network in Spanish 2200 GMT 12 Jan 91

[Summary] A Justice Ministry decree has formally designated Isidro Solis Palma as director general of the Gendarmerie. The decree was published in the official gazette on 12 January 1991.

Occupation of Former Public Prison Ends Peacefully

PY1201114091 Santiago Radio Nacional de Chile
Network in Spanish 2200 GMT 11 Jan 91

[Text] Some 150 relatives of so-called political prisoners ended their occupation of the former public prison shortly after noon today.

Hugo Gutierrez, leader of the Committee for the Defense of People's Rights, said the decision was adopted after the political committee of relatives of the political prisoners drafted a document on human rights. Men, women, and children who had been occupying the prison since 5 January gradually departed.

Gutierrez stressed that the demonstration staged at the prison was not designed to make demands or to hold negotiations, but to denounce the ill treatment they received and their disagreements with the authorities' policy against political prisoners.

Reporting the end of the illegal occupation of the former public prison, Gendarmerie Director Isidro Solis said that as of tomorrow the people who participated in the occupation will not be allowed to enter any prison in Chile. He explained that those who occupied the prison abandoned the site between 1300 and 1400 today. Solis noted that damage to the prison is being evaluated and

that there are holes in the walls that separate the cells that hold the political prisoners from those of the common criminals. The reasons for this damage are unknown.

Furthermore, the relatives of political prisoners who illegally occupied the former public prison staged a demonstration outside La Moneda Palace. (Hugo Carcamo), leader of the organization of relatives of political prisoners, delivered a document to Government House on the conclusions of the human rights congress held during the occupation of the prison.

(Carcamo) said the 20-minute demonstration was staged to protest the political negotiations among the government, the right wing, and the Armed Forces.

Regarding the government's handling of the occupation of the prison, (Carcamo) noted: The government has pressured us, even threatened us with repression. We think the government's attitude toward repressing the human rights movement is incorrect; it should repress those who seriously violated human rights.

Colombia

Gaviria Meets U.S. Congressmen, Discusses Drugs

PA1501035491 Bogota EL TIEMPO in Spanish
9 Jan 91 pp 1A, 7A

[Report by Eduardo Garcia Martinez]

[Text] President Cesar Gaviria said this afternoon that if Pablo Escobar Gaviria were to turn himself over to Colombian authorities he would not be extradited to the United States. He explained that Escobar must confess his crimes and "not commit new crimes again." The president said that Pablo Escobar, head of the Medellin Cartel, will enjoy the guarantees contained in Decrees 2047 and 3030 if he decides to leave his clandestine life and surrender to authorities. The president was responding to a question posed during a news conference held at the San Juan de Manzanillo Fort. Also present were the members of the U.S. Congressional Committee on Drugs, who met with Colombian Government officials to discuss the drug policies of both countries. The congressmen praised this administration's anti-drug policy and noted that the extradition of Colombians is a decision to be made by the government of this country. Speaking on behalf of the group, Congressman Charles Rangel, of Latin origin, said: "We feel the deepest admiration for President Gaviria, and we respect what he is doing."

President Gaviria voiced confidence that the United States will definitely support the Andean initiative against drug trafficking and continue offering its commercial and economic cooperation. He also expressed hope that Colombia will continue to receive direct aid for the country's military and judicial sectors and for the security agencies. He said that a new area of cooperation

has emerged regarding the U.S. judicial system, which will allow those Colombians who confess to having perpetrated crimes in the United States and voluntarily turn themselves in to Colombian authorities to be tried by Colombian judges. "That calls for a special cooperation, honing a number of mechanisms that will make it possible to bring Colombian and U.S. justice into alignment so that cooperation can be achieved," the president said.

When asked if there will be new changes to the decrees on drug trafficking, Gaviria replied that his government has a coherent policy on the matter, which has been subject to improvements and is rather complete. He noted that he is convinced of the virtues of confessing as the necessary mechanism for drug traffickers to submit to justice, although he warned that the confession must not be discredited later on and that the drug traffickers must be found guilty.

"All of this is absolutely essential for the decrees to work as the government has planned," Gaviria said. To that effect, the criminal arraignment director will also be available and will make the appropriate explanations; he will provide the pertinent details. The president noted that if Pablo Escobar surrenders he will not be extradited, under certain conditions.

"If he confesses his crimes or some crimes and is ready to submit to Colombian justice and if he is found guilty of those crimes, he will receive the guarantees stated in Decree 3030. To be sure, since this is one of the demands contained in said decree in order to be protected by it, he cannot perpetrate new crimes and he must stop his illegal activities," the president remarked. Gaviria added that the U.S. war on drugs is important to combat this plight and must be maintained. He explained that this aid has not been diverted to fight subversion, as the Committee on Government Operation stated.

Congressman Rangel said he was fully confident that Gaviria's government will achieve its goals in the area of drug trafficking and added that the struggle to cut down consumption in his country is having positive results. Proof of that is the increase in the price of cocaine in that country. The U.S. congressmen will hold other meetings with Gaviria and his government team throughout the day. Afterward, they will return to their country.

Interview With Foreign Minister Jaramillo

PA1501032591 Bogota Radio Cadena Nacional
in Spanish 1231 GMT 14 Jan 91

[Telephone interview with Foreign Minister Luis Fernando Jaramillo by unidentified reporters in Bogota—live]

[Text] [Reporter] Good morning, Mr. Foreign Minister.

[Jaramillo] Good morning, Juan.

[Reporter] Allow me to ask you: What was the reason for your sudden meeting with President Guillermo Endara in Panama? What did you talk about?

[Jaramillo] After participating in the Central American summit with the Mexican president in Tuxtla Gutierrez, Mexico, I traveled to Panama after receiving an invitation from President Endara. We discussed the situation in Panama and Panama's relationship with other countries of Latin America. There have been some problems because there are several exiles in Latin American embassies in Panama. There were some controversies regarding the crimes committed by these people and this has created some tension between Panama and other Latin American countries. Actually, Colombia went there to serve as a mediator and to try to help out Panama in this situation that has created some tension with other Latin American countries.

[Reporter] Are there any Panamanian exiles in the Colombian Embassy in Panama City?

[Jaramillo] No, there are no exiles in the Colombian Embassy. There are exiles in the Peruvian, Ecuadorian, Mexican, and Cuban Embassies. The Venezuelan Embassy used to have some, but there are fortunately no exiles in the Colombian Embassy.

[Reporter] What sort of influence do you think the so-called Group of Three, which attended the Mexico summit—which you attended as an observer—will have in Central America?

[Jaramillo] I think that Colombia, Mexico, and Venezuela really have an increasingly important role in the Central American region. During the meeting in Tuxtla Gutierrez, we could see that the Central American presidents met with the Mexican president as well as with the Colombian and Venezuelan foreign ministers. There were individual talks with the different Central American presidents. There is much hope regarding the cooperation that Colombia, Venezuela, and Mexico can provide to Central America. It is an area that does not produce oil and therefore, it is seriously being affected by the oil crisis despite the aid provided by Mexico and Venezuela through the so-called San Jose Pact. According to this pact, oil is sold at a 20-percent discount price. The money is paid in local currency and is used for development in different countries. Therefore, it is an important aid to Central America provided by Mexico and Venezuela.

[Reporter] How is Colombia going to cooperate in this process?

[Jaramillo] There are a series of projects being implemented. We have the project for the electrical integration of Venezuela, Colombia, and Mexico through Central America. Colombia is providing some technical assistance in the field of technological training. The most important thing is the proposal to establish a free trade zone with Central America, in which Colombia would reduce duties on Central American products, thereby

facilitating trade between Central America and Colombia. It would be a means of boosting the Central American economy, which has been adversely affected and depressed in the last few years. Therefore, we are talking about a reduction of duties by the three countries. In Colombia's case, we are adopting unilateral measures to promote the growth of the Central American economy.

[Reporter] Mr. Foreign Minister, in the last few hours we have been broadcasting reports from cities such as Jerusalem and Amman, Jordan. Some Colombians are asking to be evacuated in view of the Persian Gulf crisis. Is an evacuation to Colombia possible?

[Jaramillo] Of course there are possibilities of evacuating them to Colombia. The thing is that it would not be easy at this time to evacuate such a huge number of Colombians living in that entire area where there could be a possible conflict. Of course, if a crisis emerges, we will have to take some measures along with some of the other countries that are taking similar measures.

[Reporter] The special RCN envoy to the Persian Gulf, Francisco Tulande, wishes to ask you a question. Go ahead, Tulande.

[Tulande] Thank you Juan. Good morning or good afternoon to the foreign minister. I would first like to summarize all the questions and concerns of all Colombians living in the Persian Gulf region. Specifically, some people say they are facing transportation difficulties, they lack economic resources, and they are complaining about the high cost of the passport, which I understand is \$52. Some of them have expired passports. We understand that Colombia has authorized the granting of tourist visas to Colombians and non-Colombians wishing to travel to our country. What information do you have on this, Mr. Foreign Minister?

[Jaramillo] I did not know that there was a problem with the cost of the passport, which is really an average cost as compared with other countries. I did not know that \$50 was a problem for people who are living in the Persian Gulf region. As for visas, Colombians do not need visas to return to their country. All Colombians have the right to return to Colombia without a visa.

[Reporter] Recently, in the city of Cartagena, U.S. Ambassador Thomas McNamara said that if Colombia asked for cooperation, the United States would be ready to help evacuate Colombians from the Persian Gulf. Was there any talk about this with Mr. McNamara? What decision will be made?

[Jaramillo] Of course we have held talks with the United States to receive cooperation in case of an evacuation, which does not necessarily have to be to Colombia. The Colombians could be evacuated to other countries or areas, where it would be safer, while peace can be restored in the Persian Gulf area. I repeat: To massively evacuate all Colombians who are currently in the Persian Gulf back to Colombia would really not be easy. The

Colombian Government does not have the transportation means available to conduct this evacuation. It would have to be done with commercial airlines and that would be very costly.

[Reporter] Mr. Foreign Minister, we have our Jerusalem correspondent on the line. He wants to ask you a question from the Holy City. Go ahead, Enrique, the foreign minister is listening to you from Guatemala City.

[Reporter] Good morning, Mr. Foreign Minister, I would like to ask you if the Colombian Government has made any contacts with the Israeli Government regarding the Persian Gulf crisis.

[Jaramillo] We have held permanent contacts with our consul in Tel Aviv, (Dr. Edmundo Eskinazi), with whom I personally held contacts. As for the Israeli Government, we have held no talks.

[Reporter] Mr. Foreign Minister, Colombia has played a decisive role in the UN Security Council during the latest sessions. You probably have inside information on this crisis. Are you optimistic or pessimistic? What is the Colombian Government's opinion regarding a possible war?

[Jaramillo] It is very difficult to predict the possibilities of peace or war in the Persian Gulf. I hope that good sense will prevail and that an armed confrontation is avoided. However, the signs are less and less encouraging. The latest trip by the UN secretary general was apparently unsuccessful. We must pray that good sense will prevail among the people who have to make the essential decisions in the Persian Gulf area. We hope they do not subject the world to the immense trauma of a war in the region. However, the latest events are not very encouraging.

[Reporter] Thank you very much for your participation in our RCN newscast. We hope you have a good day in Guatemala City.

[Jaramillo] Thank you very much.

Government To Issue Pardon Decree for EPL

PA1401002191 Bogota Inravisión Television Cadena 1 in Spanish 1800 GMT 13 Jan 91

[Text] The pardon decree for guerrillas of the Popular Liberation Army [EPL] who have decided to rejoin civilian life is all set. The decree will be announced tomorrow, and this will be the first specific step making it possible for the second guerrilla group to surrender its weapons for good. The EPL, which has been engaged in peace talks since the Barco administration, is close to realizing in its own right its participation in the national constituent assembly. The continuous talks between the Advisory Board for Peace Issues and EPL representatives are ending. The 18 EPL fronts will give up the armed struggle. On 1 March, they will surrender their weapons, and peace talks with another guerrilla group will have ended.

In 15 days, they will sign a preliminary agreement, containing commitments for both sides, including pardons, the EPL's return to civilian life and guarantees to achieve it, regional development plans, and the legitimization of the group as a political group.

[Begin recording of Alvaro Hernandez, Advisory Board for Peace Issues legal adviser] The groups that are not yet participating in peace talks can begin to join this process so their members, and even those members who are under arrest can be pardoned. [end recording]

Regarding the EPL's participation in the national constituent assembly, its two representatives will be elected in all its camps by secret ballot.

[Begin recording of Presidential Adviser for Peace Antonio Bejarano] The EPL will have two representatives as of 5 February, that is, from the moment the national constituent assembly is installed. On 1 or 2 March, once they lay down their weapons, these same representatives, who will already be attending the assembly, will be named as deputies [delegatarios] with full rights. [end recording]

The distant hope is that the Popular Liberation Army and Revolutionary Armed Forces of Colombia will also take the path of peace.

Guerrillas Release Policemen, Parish Priest

PA1201230991 Bogota Inravisión Television Cadena 1 in Spanish 0030 GMT 10 Jan 91

[Text] Today the Revolutionary Armed Forces of Colombia [FARC] released five policemen and the parish priest of San Carlos Municipality, Antioquia Department, who had been held since 24 December 1990 when they were kidnapped so that they could serve as messengers.

The commission that was to greet the freed hostages left in the morning, and at noon, the five policemen and the priest were waiting at one of the many hills of eastern Antioquia. They were being guarded by members of the guerrilla coordinating board. Seventeen days of life as a hostage had ended.

[Begin recording] [Unidentified policeman] I was very afraid and very uncertain, like any other human being would be after being controlled by people who, according to some, have caused panic throughout the country.

[Unidentified parish priest] When I saw the guerrilla attack, and that the policemen were ready to run, and realized that I would not know their fate, I decided to go with the hostages in order to provide additional security. [end recording]

The policemen and the priest who voluntarily went with the guerrillas today became the means through which FARC and the National Liberation Army once again reiterated their refusal to surrender, to be demobilized, or to turn in their weapons.

Guerrillas Claim Credit for Kidnapping Soldiers

PA1501024691 Mexico City NOTIMEX in Spanish
2355 GMT 14 Jan 91

[Text] Bogota, 14 Jan (NOTIMEX)—The National Guerrilla Coordinating Board issued a communique today claiming credit for the kidnapping of 16 soldiers in the southern department of Meta.

The rebel movement captured the soldiers on 9 January in La Macarena ridge, in the country's south. In that action, the guerrillas destroyed an Army communications base, killed two soldiers, and kidnapped another 16 who were guarding the installation.

The coordinating board comprises the Revolutionary Armed Forces of Colombia, the National Liberation Army, and a dissident group of the Popular Liberation Army.

Ecuador

President Borja Predicts 'No War' in Gulf

PA1501035391 Quito Radio Quito in Spanish
2316 GMT 14 Jan 91

[Passages within quotation marks are recorded]

[Text] President Rodrigo Borja has predicted that there will be no war in the Persian Gulf and that the bully Husayn will back down using any pretext.

Ecuador is ratifying its support for the United Nations and the UN Security Council peace resolutions, the president said, referring to the Persian Gulf conflict.

[Borja] "Saddam Husayn is a bully. According to my experience, inside all bullies there is a coward who needs to rhetorically assure himself of his manhood. You will see, when the deadline expire, how Husayn will capitulate unconditionally and will withdraw.

"This is how I see the situation. He will argue anything. He will say that Allah appeared to him in a dream and that Muhammad advised him in that direction, or he will use any other argument that could help him justify his backing down and mean the end of his bullying.

"I think that fortunately for the world, Husayn's bullying is about to end and that his withdrawal will mean that peace will be maintained and that war will be prevented. This war would be regional but it still would have very harmful effects on the world economy because oil supplies for powerful countries of the world are at stake."

[Words indistinct] The president praised the achievements of former Minister Jorge Gallardo.

[Borja] "The idea is to modernize the country in [words indistinct] and to make Ecuadoran industrial and agricultural sectors suitable for exporting and for competition in the economically hostile world surrounding the country. These are two important structural reforms.

They were planned by Minister Jorge Gallardo. I want to state the government's gratitude for a job well done. I want to take advantage of this situation to deny rumors about Minister Gallardo having had some sort of conflict with another minister."

The new Finance Minister, Pablo Better, stated his appreciation for his appointment as minister and said he would make every effort to benefit the people and the government.

[Better] "I told him, and I will repeat it publicly now, that I could have no higher honor than to serve Ecuador under his administration. In addition to the honor you have bestowed on me, I am aware of the responsibilities I am assuming, especially since I am replacing my friend Jorge Gallardo, who has done, as you have said, an outstanding job."

Paraguay

Official Clarifies Status of Iraqi Diplomatic Ties

PY1401143691 Asuncion ABC COLOR in Spanish
14 Jan 91 p 9

[Excerpts] Foreign Ministry Under Secretary Hugo Saguier Caballero has told this newspaper that Iraq does not have diplomatic or consular ties with our country. In July 1990 Iraq asked for our government's approval to name the Iraqi ambassador to Buenos Aires as concurrent ambassador to Paraguay, but the request was denied due to the invasion of Kuwait.

The Migrations Directorate has reported that 21 Iraqi citizens are registered as residents. [passage omitted] Of these 21 Iraqi citizens, eight are permanent residents, while the other 13 are only temporary residents. [passage omitted]

Saguier Caballero also clarified that the UN sanctions refer only to banning trade with Iraq, which means that diplomatic relations with that country have not been interrupted. [sentence as published].

Peru

Fujimori Promises Incentives for Mining Sector

PY1301234091 Lima RTP Television Network
in Spanish 0100 GMT 13 Jan 91

[Excerpts] During a visit to the Raul mine at the Mala settlement of the (Pativilca) Mining Consortium, President of the Republic Alberto Fujimori commented on incentives that will be granted to mining and oil companies. These funds will be used for prospecting and exploitation work. Fujimori visited the mine with Energy and Mines Minister Fernando Sanchez Albavera.

[Begin recording] [Unidentified reporter] President Fujimori, accompanied by Energy and Mines Minister

Albavera, arrived in Mala by helicopter. He was welcomed by local residents, who expressed some of their concerns. [passage omitted]

Mr. President, how do you feel after visiting this mining company?

[Fujimori] Well, we have visited the mine and realized the great importance of the mining activity and the great efforts being made by workers and businessmen. Large investments are being made now, although profits are small, for various reasons. We must support this activity. We cannot forget that 50 percent of the money entering our coffers is the result of mining sector activities.

[Reporter] What is the level of our mineral production, Mr. President?

[Fujimori] I do not have the figures in tons, but in 1990 our mineral exports totaled \$1.8 billion. Last year was an exceptionally good year because prices were very high. Mineral exports totaled a little more than 50 percent of total exports, which reached \$2.8 billion.

[Reporter] Is there any possibility of increasing these figures?

[Fujimori] There certainly is but it depends on many factors. One of the factors is profit, and this depends on an adequate exchange rate—which, by the way, businessmen in this sector are requesting. It is true that the exchange rate is a little inadequate, but this will be corrected in due time. Another factor is the fact that Peru has not received foreign credit in the past few years, as everyone well knows. Our negotiations with the IMF and our efforts to reinstate Peru into the international financial community are aimed exactly at creating an adequate framework to attract the large investors, particularly investors in the mining sector and to have them invest in Peru.

[Reporter] Therefore, these efforts will attract investors who will especially work with mining companies?

[Fujimori] Yes, we cannot forget that Peru has large mineral reserves, including copper reserves like the one being mined here. Peru has the largest [words indistinct] reserves in the world despite that fact, we are not among the largest [words indistinct] producers in the world. Nonetheless, we have great potential. Some investors are expressing interest in exploiting [word indistinct] for the development of the country. As the president of the Republic, I want to express my satisfaction in seeing you carry out this hard and demanding work which brings development to Peru. Today I have personally observed and analyzed your silent work. This is why I want to thank you a thousand times and express my gratitude to you. [applause]

This little boy, so similar to many of your children [laughter], reminds me that my main commitment to Peru, to the Peruvian people—and particularly to the workers—is to improve the country, to make it the

wealthy and important fatherland we have always deserved. Thank you very much. [applause] [end recording]

Two Dead, 100 Injured in Ministry Bombing

PY1401232091 Madrid EFE in English 2259 GMT
14 Jan 91

[Text] Lima, Jan 14 (EFE)—Two policemen died and some 100 people were injured Monday [14 January] when a car bomb exploded outside Peru's Interior Ministry building, police said.

The blast killed a police sergeant and corporal, destroyed some 20 vehicles, blew out countless windows in the ministry and nearby buildings, and injured about 100 people. A dozen of the injured were in serious condition, authorities said.

The explosion occurred at a service station next to the ministry building, and triggered the explosion of a nearby fuel pump.

Although no group has claimed responsibility for the attack, police said the terrorist group Tupac Amaru Revolutionary Movement (MRTA) left pamphlets near the scene.

There have been two similar car-bombing attacks in the country within a week. An explosion January 7 in Ayacucho, about 400 km southeast of Lima, injured five. Another explosion Sunday in Ayaviri, about 700 km southeast of Lima, killed a child and injured two adults.

Report Released on Cocaine Paste Consumption

PY1401151091 Madrid EFE in Spanish 0825 GMT
12 Jan 91

[Text] Lima, 12 Jan (EFE)—According to a study by Cedro, a private Peruvian drug addiction prevention organization, about 200,000 Peruvians have admitted that they have consumed cocaine paste. The study by Cedro, which was released on 11 January in Lima, notes that cocaine paste, from which pure cocaine is refined, is the drug that causes the most harm to man and society.

The report says that consumption of cocaine paste in Peru began in the mid-1970's, that consumption has spread through the various social classes, and that there are now 184,000 consumers. The report adds that 98 percent of the consumers are men and about 4,000 women have consumed the drug at some time in their lives. The report notes that drug consumption polls always reveal figures that are lower than the actual number of consumers, so that the number could be higher.

The raw material for producing the drug is the coca leaf; it is estimated that 200,000 hectares of coca leaf is grown on the eastern side of Peru's Andean mountain range. The leaves are macerated with chemicals. Most of the cocaine paste is sent to Colombia for refining and

processing into pure cocaine. The drug is shipped from clandestine airports in the Peruvian jungle, where drug trafficking gangs operate.

Uruguay

Weekly Evaluates Current Political Situation

PY1301005091 Montevideo BUSQUEDA in Spanish
3 Jan 91 pp 10, 11, 16

[Text] The fall of 1991 will be important for the "national agreement." After frequent disagreements between the government allies during the administration's first year, the "summer siesta" will be a useful pause for the government's political partners to evaluate the economic results of the first quarter and either confirm or rectify agreements.

The "agreement"—which is a new style of government used for the first time by the National and Colorado Parties—included a mixed cabinet and a "legislative block" that did not work smoothly.

Meanwhile, the Broad Front made its debut in the Montevideo municipal administration and renewed its hope of extending its action to the entire country in 1995. The year that just ended was a confrontation of two contradictory models in government administration: One was liberal, headed by President Luis Alberto Lacalle, and the other was strongly interventionist, headed by Montevideo Mayor Tabare Vazquez.

The political map that emerged from the November 1989 elections confirmed the rupture of the classic Uruguayan two-party system, which was cracked by the unification of the left in 1971.

In 1990, while the National Party was affected by the wearing down of the government and the predictable internal dissent, the Colorado Party began to recover support despite the fact that its two factions, Batlleism and Pachecoism, were divided by apparently irreconcilable positions.

The left was able to overcome the effects of the fall of the "real socialist" countries, and despite its 1989 rupture and the presence of small internal conflicts, the left seems to be enjoying its greatest support among the people.

The important debate on the reorganization of the state found the parties divided by small internal conflicts and people apathetic; this also affected the leftists who seemed to revalue individualism, abandoning the "logic of militancy."

The "Agreement"

The problems encountered by President Lacalle in forming a government coalition, the different perceptions of the real extent of the forced two-party agreement, the division of the parties, and the popular discontent caused by economic measures contributed to the fragility of the alliance, which showed signs of failure from its creation.

The government tried to establish negotiations among its "followers," but this did not work. While Lacalle believed that the bills submitted to Congress with the signatures of the Council of Ministers insured a fluid process, the Colorado Party partners explained that it was only an administrative procedure.

The working groups formed by legislators also did not have the desired effect. Some groups were frustrated just by their membership, while others did not have the participation of all sectors represented in the agreement.

The leaders of the political groups also ran into problems. Lacalle had serious disagreements with his party members belonging to the Rocha National Movement (MNR) headed by Carlos Julio Pereyra, while disagreements with Colorado Party members occurred when the president announced an agreement to reorganize the pension system and the Colorado Party members denied any agreement.

The "agreement" also suffered the beatings of mid-level leaders who, in apparent disobedience, unleashed harsh criticism of the government, did not take any responsibility in government measures, and played down the agreement.

Different degrees of support for the government can be distinguished among the five groups. The National Party faction, the Renewal and Victory sector, showed total integration with the government even though it tried to have its own profile. But the MNR was critical in its support.

Pereyra said the proposal by the Herrera faction was "absolutely not the best for the country," but he called on his followers to have a "patriotic spirit," a spirit of "sacrifice" in supporting the National Party government. There were also party interests involved because at the 9 June party congress, Pereyra said the success or failure of the current government would extend to all National Party groups.

In the Colorado Party, Jorge Pacheco Areco [Colorado and Batlleist Union leader] appeared as one of the firmest aides, confirming the promise he made to Lacalle during the summer talks in the Parque Hotel. He said: "Not even a pebble will be placed in the path of this government."

The Batlle movement stayed on the opposite side of the political spectrum by showing greater caution when it was time to make a decision on supporting the legislative initiatives unleashing harsh criticism of the government.

The vanguard position of the Radical Battle Movement, its will to carry out profound reforms and "not go halfway" made the support from this sector an obstacle for the government, creating more disagreements among the Herrera, Rocha, and Sanguinetti factions.

The Other "Accord"

Meanwhile, parallel with the "national agreement," another "agreement"—with a heterogeneous composition—began to appear. Several tried to get rid of it and exhibit their own identity, but in many cases they ended up agreeing.

Sectors such as the Broad Front and in the New Sector coalitions, which were excluded from the government accord; the self-excluded Crusade 94; and those who placed themselves on the border between the two accords, such as the MNR and Senator Alberto Zumarán, who ended by parting with the alliance, have often agreed informally at the moment of raising their hands in Congress (see BUSQUEDA No. 548).

The Colorados

After the Battle faction gained supremacy over the Pacheco faction (1980-1989), the Colorado Party witnessed the split of its two factions. As a result of a split between Sanguinetti and Battle, the Battle faction began to split into two factions by mid-1988. In May 1989, these two factions opposed each other in the party elections.

Although Battle won the elections and became stronger, the wear and tear of the proselytizing campaign rendered the two factions almost irreconcilable. The split increased further after the Colorado Party lost the elections to the Blanco Party.

A month and a half after leaving office, Sanguinetti summoned his supporters to the party headquarters to legitimize his Batlleist Forum. On that occasion, he explained that the forum was not a new movement, but a faction within the Colorado Party.

On 17 April, a leader from the country's interior was strongly applauded when he shouted: "Julio [Sanguinetti] will be the next presidential candidate."

Jorge Battle directly charged the new group with a willingness to follow the example of former President Feliciano Viera who, in the 1920s, led a minority faction of the Colorado Party. The former presidential candidate—who on 15 July gave a name and surname to his faction, the Radical Battle faction—said: "We, the Battle faction supporters are List 15 and the other Colorado Party members are Viera supporters."

That day Battle issued a proclamation reasserting his liberal ideas on political and economic matters. He favored a state that "opts for freedom whenever it acts."

Sanguinetti opted for an elliptic form to refer to current topics and argued against Battle's liberal ideas from a

distance. He warned against the "anti-statist utopia" and contended that "market dogmatism is the same as Marxist or Fascist dogmatism."

The former president admitted that the state should change its role in the national economy by modifying its "instruments," not its "objectives." He said that the state should not act as a producer or merchant, but accorded it the role of "guarantor of social balance."

On the other hand, the Pacheco faction also fractured. Pacheco's decision to support Lacalle met with strong resistance from his last ticket mate, Senator Pablo Millor, who moved away from him. A congress of the dissenting faction decided on 22 April to separate from the Colorado and Batlleist Union (UCB) and go it alone. This dissenting faction moved away from Pacheco's figure, but noted that it would maintain the "political ideals" of its former leader.

While the UCB remained a firm partner of the government, Crusade 94 began to severely criticize the government's economic plan and took up a form of speech "in defense of the most popular sectors."

The groups of young people who tried to renew the party but were defeated in the election found that the convention was their last forum. The Independent Batlleist Movement and the Batlleist Renewal Movement questioned the government coalition in strong terms while Freedom and Change and the Social Action Movement joined the Batlleist Forum.

Meanwhile, in the country's interior, another movement was created. Its effect on the country and its following are difficult to assess at this time. Mario Carminatti (Rio Negro), the single Batlleist mayor to win reelection, heads this movement.

On 20 December Carminatti met with President Lacalle and said that "there is a tendency to rebuild the party," admitting to feeling like "the flag bearer" of the movement. The mayor, who also opposes the "agreement," added that for the time being, he is "looking in from the outside."

The Blancos

The last election afforded the Herrerists a double victory; it ended the 20-year internal dominance of the Wilsonist currents and carried the National Party into government for the first time since they lost the 1967 election.

The Herrerists began facing serious difficulties as soon as they took over; one of their most experienced leaders, Senator Dardo Ortiz, died shortly after the inauguration. His absence was a hard blow to the government's congressional bloc.

The Herrerists began sailing through troubled waters without Ortiz and with their main leader trapped by his presidential duties. Legislators' lack of experience in

government—something that was recognized by the party leadership—added to the government's drop in popularity.

At the beginning the party was able to overcome internal dissent and their voting power was not affected. The dissent within the ruling bloc became obvious when Colonia Deputy Edison Sedarri was expelled in October and reaccepted a few days later.

The issue of the candidates for 1994 was always present in Herrerist discussions. Senator Walter Santoro reproached legislators Juan Carlos Raffo and Hector M. Sturla during a leadership meeting in San Jose on 27 September for having their eyes fixed on the next election.

Then the closest Herrerist ally, the Renewal and Victory Movement (MRV), began to move away from the ruling bloc, claiming ideological closeness with Wilsonism and trying to remain above discussions by standing behind MRV leader Alvaro Ramos, the minister of agriculture, livestock, and fishing, and MRV leader Gonzalo Aguirre, who presently presided over the Senate.

The MRV was created in 1987 after Aguirre bolted from the MNR. Later, he made electoral agreements with former Herrerist and For the Fatherland leaders who joined him.

The MNR, meanwhile, was going through its most difficult hours. The forecast of leftist leaders who warned them in 1989 that their votes would contribute to the victory of a political sector with opposing ideals was fulfilled. The task of "support with criticism" ended up being too uncomfortable and uncovered at least two internal factions: a large group supporting MNR leader Pereyra's strategy and another group supporting the idea of leaving the government. The latter group is headed by Senator Manuel Singlet. Deputies Jorge Coronel and Aldorio Silveira, and Cerro Largo Mayor Rodolfo Nin Novoa.

The Movement for the Fatherland (PLP), which in the past represented a majority within the Blanco Party, concluded its process of disintegration. Senator Alberto Zumaran—a presidential candidate in two elections—broke away from the group on the "agreement" and became a harsh government critic. This surprising position ended up disenchanting the few remaining PLP followers.

Deputy Juan Raul Ferreira maintained his group's unity, meeting at the Wilson House (List 19); Zumaran created the Wilsonist Sector in Florida on 15 December; and leaders from the interior and young people from Montevideo began creating a new movement around Tacuarembó Mayor Sergio Chiesa, while others joined other existing factions. (Herrerism, MRV, or MNR).

The Left

The Broad Front had its first government experience as the head of Montevideo's municipal government. Within the coalition there was an internal confrontation of strategies: One supported peaceful methods and made power its short-term goal and the other advocated radical confrontation with the system and promoted an "awakening of revolutionary conscience."

Convinced that 1994 will be their great opportunity to win the national elections, majority sectors are trying to join other political sectors with which they have an affinity. Among other gestures, they have sent signals for dialogue to the Armed Forces.

For the radical wing—which belongs to the People's Participation Movement (MPP)—the priority objective is "to struggle, organize the fight, and channel the rage" against the current government.

Former MPP leader Carlos Maria Gutierrez, who is a journalist, summarized this strategy in an article published in BRECHA under the headline: "The Delusion of the Shortcut to Power." In his article, Gutierrez said that "not all Broad Front members are overly enthusiastic about the idea of seeing the Broad Front in power in 1995," and that the objectives should be to achieve "homogeneity, an identity of its own, and the people's participation, which they do not have today."

In addition to this attempt to brake the "strategy to reach power"—a strategy adopted by the majority, an almost marginal MPP member—the Uruguayan Revolutionary Movement—has publicly voiced support for the armed struggle.

For the left, 1990 was also a year of ideological debate following the Socialist bloc collapse and the transformation of Soviet society into a market economy.

The congresses held by the Uruguayan Communist Party (PCU) and the Socialist Party (PS) were preceded by unusual internal controversy. To maintain unity, the two parties postponed the adoption of new theoretical definitions and did not go beyond revising their documents and upholding democratic practice.

Despite the fact that it has remained the central leftist force, the PCU—which is experiencing its worst financial crisis—began to lose influence in the Broad Front, losing control of its militants and its political partners.

The representatives of rank-and-file committees, which reduced their work and active engagement to a minimum, began to act with more independence, freed themselves from party bonds, and adopted more radical positions.

Meanwhile, the Artigas Sector—which formulated a proposal for a renewal that turned out to be successful in the 1989 elections—seemed to undergo a rapid process of

distortion. The People's Movement—a Blanco Party faction led by Deputy Carlos Pita—left the Artigas Sector.

The Advanced Democracy-List 1001 coalition—made up of the PCU, the Jose German Araujo-led Broad Front Unity Movement, the Broad Front People's Movement founded by Francisco Rodriguez Camusso, the Leftist Liberation Front, and the Pregon Movement—suffered its own infighting. There were other confrontations like the controversy between Socialist Senator Jose Korzeniak and the Tupamaros National Liberation Movement over the military issue, or the confrontation between Deputies Rodriguez Camusso and Helios Sarthou over the repercussions of the U.S. President's visit.

While Broad Front President Liber Seregni has maintained his role of Broad Front executive coordinator, the prestige of Major Tabare Vazquez and Senator Danilo Astori has increased.

Astori gained fame through his work in Congress (opposition to the fiscal adjustment, questioning of the economy minister), while the Vazquez' prestige exceeded the leftist sector and reached privileged levels of popularity. Even though a new presidential candidacy for Seregni has not been ruled out, Vazquez and Astori, in that order, are the most logical presidential hopefuls.

The Center-Leftist Sector

The New Sector, a coalition created in 1989, is the only sector that has not sided either with the ruling sectors or the opposition (neither at the national nor at the departmental level). This "double opposition" stance did not allow this coalition to develop an identity of its own, but—on the contrary—it undermined its profile.

Public opinion specialists believe the New Sector's "low number" of supporters can grow to a "high number" depending on "political action." In this regard, some New Sector leaders have said that the coalition's "political action" was inappropriate in 1990. Despite the fact that the lawmakers of the Party for Government by the People (PGP) and the Christian Democratic Party (PDC) have tried to act independently from the Broad Front in Congress, they have managed to do so on only a few occasions.

To make its structure more dynamic, the PGP held internal elections, and it is already running the risk of the appearance of internal factions.

As a "party of group action," the PDC's public presence has decreased substantially.

For its part, the Civic Union has practically disappeared from the political arena.

Public opinion polls have reflected the wearing out of the Blanco government and an increase in preference for the Colorado Party, particularly for Julio Maria Sanguinetti.

Sanguinetti and Vazquez seem to be the political leaders for whom 1990 has been the most profitable in terms of the people's preference.

In the meantime, parties are readying for a debate on a constitutional amendment that will set new game rules for the next electoral contest in November 1994.

Rodriguez, Lacalle View Common Market Prospects

PY1301013091 Asuncion NOTICIAS in Spanish
12 Jan 91 pp 10, 11

[By special correspondent Celso Chavez]

[Text] Punta del Este—Paraguayan President Andres Rodriguez and his Uruguayan counterpart, Luis Alberto Lacalle, have noted that the most important obstacle to the signing of the Mercosur [Southern Cone Common Market] treaty is the size of the Brazilian and Argentine economies when compared to those of Paraguay and Uruguay. The two presidents talked with reporters in the garden of L'Auberge Hotel after a private meeting at the Uruguayan president's country house on the outskirts of Punta del Este.

"We hope the fact that we are in a different situation will be acknowledged, although this should not imply that we should be considered second-class countries," the Uruguayan president said.

He advocated acknowledgement of the fact that Paraguay and Uruguay, which are countries with smaller relative development, will inevitably have some disadvantages. He said that both countries support integration and will agree to reorganize their industries and labor force.

The Paraguayan president said the talks with his Uruguayan counterpart, during which bilateral and multilateral issues were analyzed, yielded important results. The two presidents pointed to their governments' concern over the current tension in the Persian Gulf.

Rodriguez said: We do not know what future lies ahead of us. He proposed holding meetings to analyze the consequences of an eventual war, considering that both Paraguay and Uruguay are very dependent on imported oil.

He added: "We do not know whether there will be a war. May God forbid, because we know perfectly well the economic damage a conflict would cause, especially to our countries, which have to import all the oil they consume."

President Lacalle was asked about the effects a Persian Gulf conflict could have on Mercosur. He said it is necessary to wait until a war actually begins "in order to see how long it will last and what effects it will have on the economy; otherwise, we would be just guessing."

Regarding Mercosur, President Rodriguez said that Uruguay and Paraguay must receive special treatment during the negotiations so that the treaty does not affect their economies. "The countries that have more possibilities should take into account our situation," he said, endorsing President Lacalle's statement that there are major differences between the markets of the four countries.

President Rodriguez reported that his Uruguayan counterpart accepted an invitation to visit Paraguay on 14 and 15 May to continue with the analyses of the issues that were considered yesterday. Lacalle said no agreement will be signed during his visit to Paraguay, but the legal framework for the Parana-Paraguay waterway will be comprehensively analyzed.